

# Survey Report



## ICMA-Gallup Survey on Islamic Banking and the Islamization of Pakistan's Economy

### Preamble

ICMA Pakistan, in partnership with Gallup Pakistan, conducted a survey on March 5, 2025, to gather feedback on Islamic Banking and the Islamization of Pakistan's economy. The aim was to understand stakeholder views on the steps being taken to promote Islamic banking and finance. Under the State Bank of Pakistan's 2023–2028 strategic plan, conventional banks are to be converted into Islamic banks, with a target of reaching 30% of total banking assets and deposits under Islamic banking by 2025.

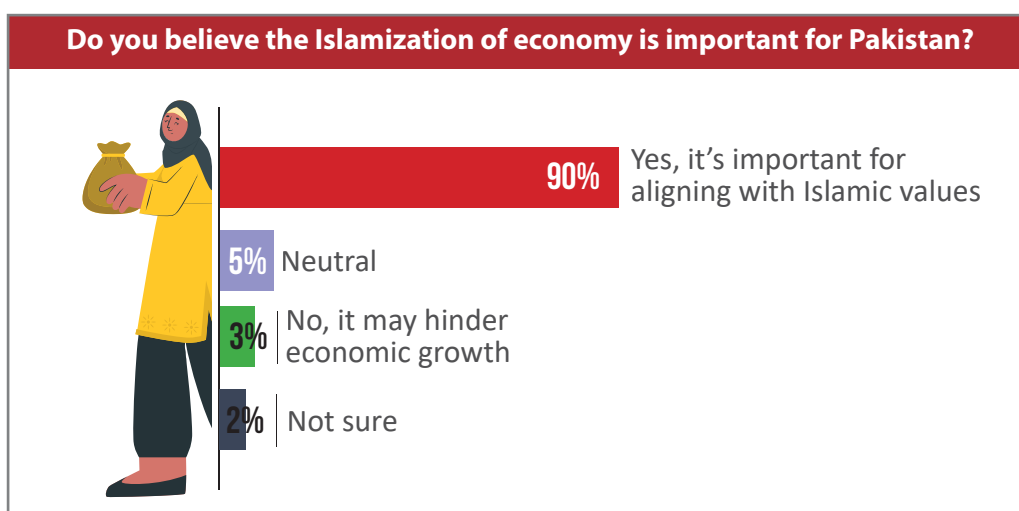
The survey findings are being published in the current issue (Mar–Apr 2025) of the *Chartered Management Accountant Journal*. We hope our members, students, and readers find the insights useful in evaluating the progress and challenges of this transition.

### Survey Methodology

Gallup Pakistan conducted an opinion-based survey among both members and non-members of ICMA Pakistan to gather views on Islamic banking and the broader Islamization of Pakistan's economy. The questionnaire was designed by ICMA Pakistan, with Gallup providing minor value additions to enhance its effectiveness. The finalized version was hosted online and shared via a group link for digital data collection. Gallup emailed the survey to over 5,000 individuals, including ICMA members. Data collection continued for six weeks and concluded on April 10, 2025. All responses were carefully reviewed for quality and analyzed using statistical software. The summarized findings were subsequently shared with ICMA Pakistan.

## Survey Results

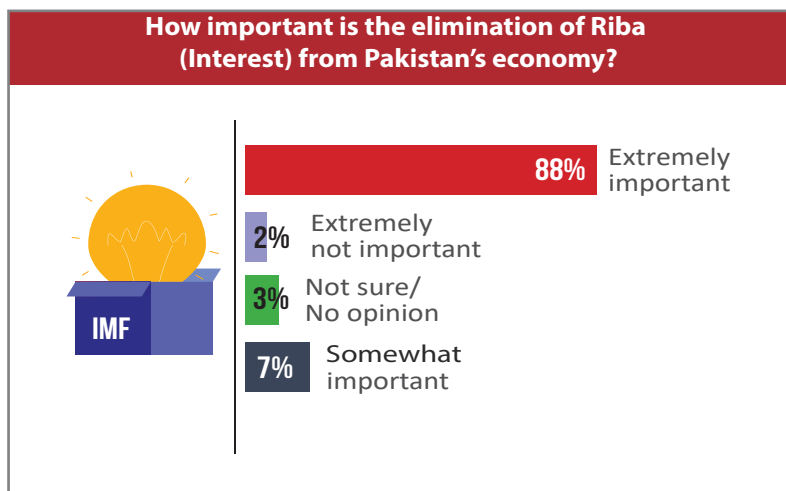
**90%** support the Islamization of Pakistan's Economy



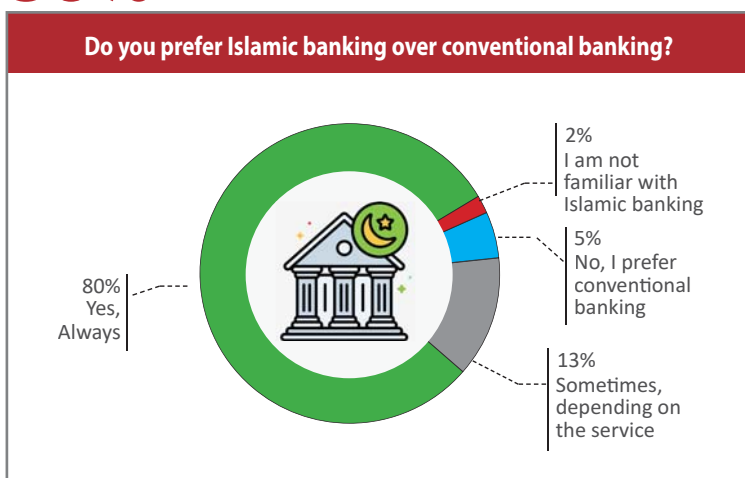
A strong majority—90% of respondents—believe that the Islamization of the economy is important for aligning with Islamic values. Meanwhile, 5% remained neutral, expressing neither strong support nor opposition. Only 3% felt that Islamization could potentially hinder economic growth.

## 88% emphasize the importance of eliminating riba (interest)

The survey reveals that 88% of respondents consider the elimination of riba from Pakistan's economy to be extremely important. In contrast, 7% view it as less significant, and only 2% deem it unimportant. These findings demonstrate strong support for replacing interest-based financial systems with Islamic finance.



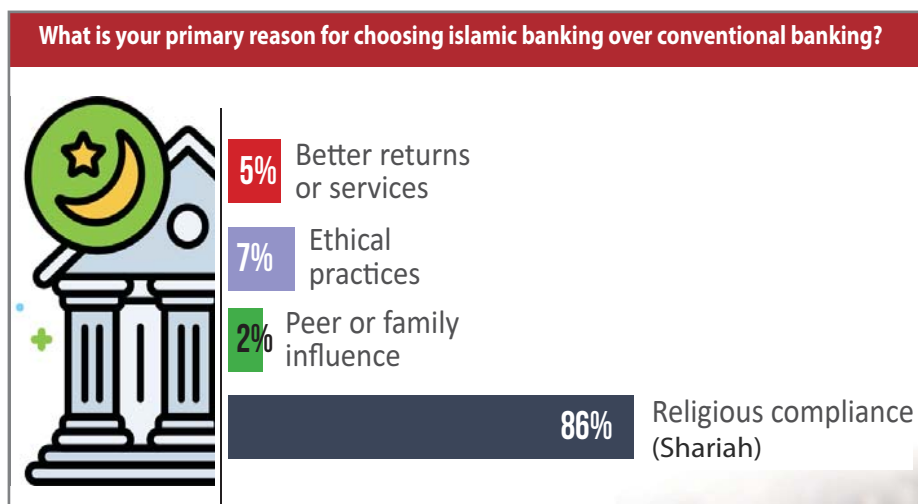
## 80% prefer Islamic banking over conventional banking



When asked about their banking preferences, 80% of respondents expressed a preference for Islamic banking, while 13% said their choice depends on the service. Only 5% favored conventional banking, and 2% were unfamiliar with Islamic banking, highlighting a clear inclination towards Islamic banking practices.

## 86% choose Islamic banking primarily for religious compliance (shariah)

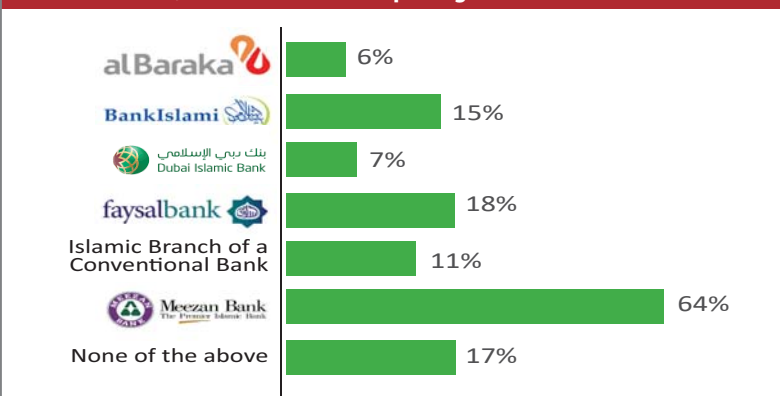
When asked about their reasons for preferring Islamic banking over the conventional system, 86% of respondents selected religious compliance (Shariah) as their primary motivation. Additionally, 7% cited "ethical practices," 5% were attracted by "better returns/services," and only 2% were influenced by family or peers.



## 64% have or would consider opening an account with Meezan Bank

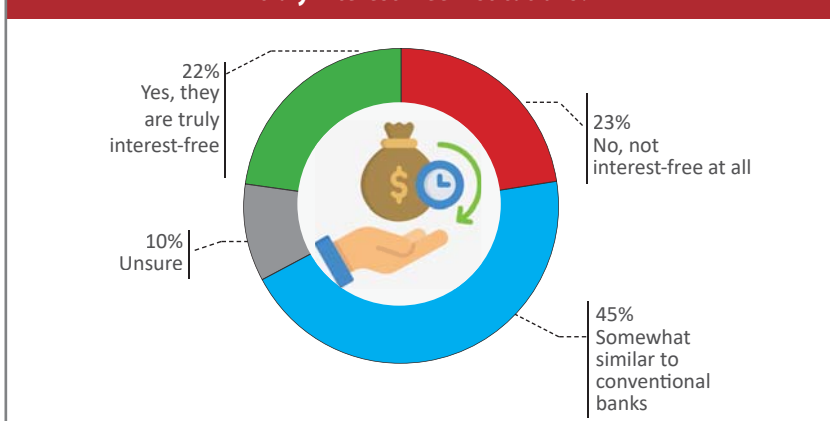
The survey shows that 64% of respondents have or would consider opening an account with Meezan Bank, highlighting its strong position in the Islamic banking sector. Additionally, 18% favor Faysal Bank, 15% prefer BankIslami Pakistan, while smaller shares mentioned Al Baraka and Dubai Islamic Bank, reflecting Meezan Bank's clear lead in public preference.

**Which of the following top Islamic banks in Pakistan do you currently have an account with, or would consider opening an account with in the future?**



## 45% find Islamic banks in Pakistan somewhat similar to conventional banks

**Do you think Islamic banks in Pakistan operate as truly interest-free institutions?**

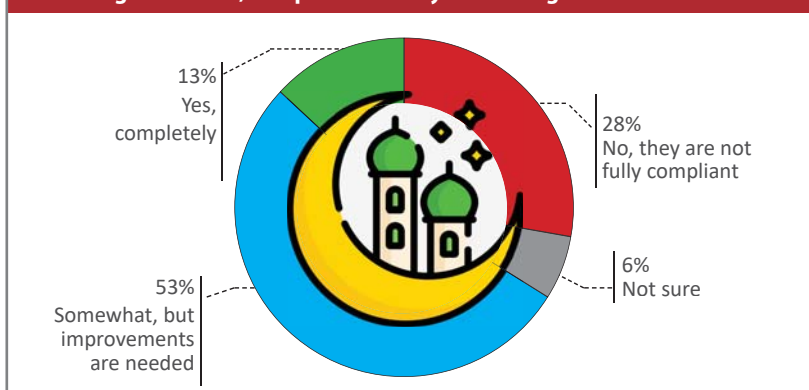


The survey reveals that 45% of respondents perceive Islamic banks in Pakistan as somewhat similar to conventional banks. Among the participants, 23% feel that Islamic banks are "not interest-free at all," reflecting skepticism about their adherence to interest-free principles. In contrast, 22% believe they are "truly interest-free," while 10% expressed "no opinion," indicating uncertainty.

## 53% feel Islamic banking products are only somewhat shariah-compliant

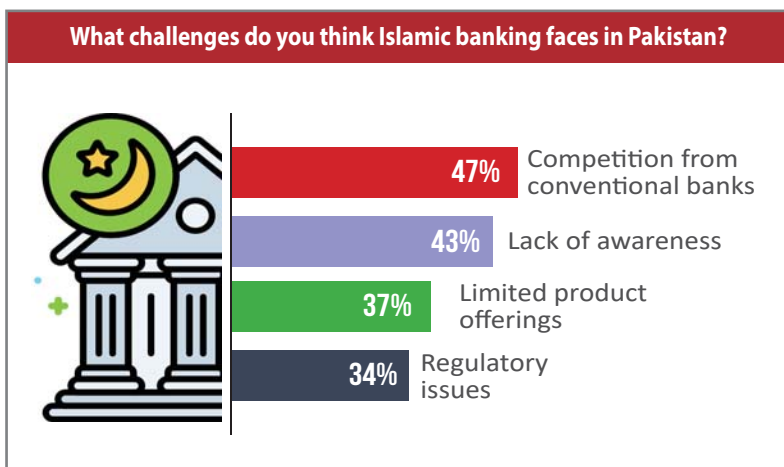
A majority of respondents (53%) believe that Islamic banking products in Pakistan are "somewhat Shariah-compliant but require improvement," signaling a need for stronger adherence to Islamic principles. Additionally, 28% consider them "not fully compliant," reflecting notable concerns. Only 13% believe the products are "completely compliant," while 6% had no opinion—underscoring the need for enhanced Shariah compliance to strengthen public trust.

**What do you think about the government's projected 3.6% GDP growth in Budget 2024-25, compared to last year's GDP growth rate of 2.38%?**

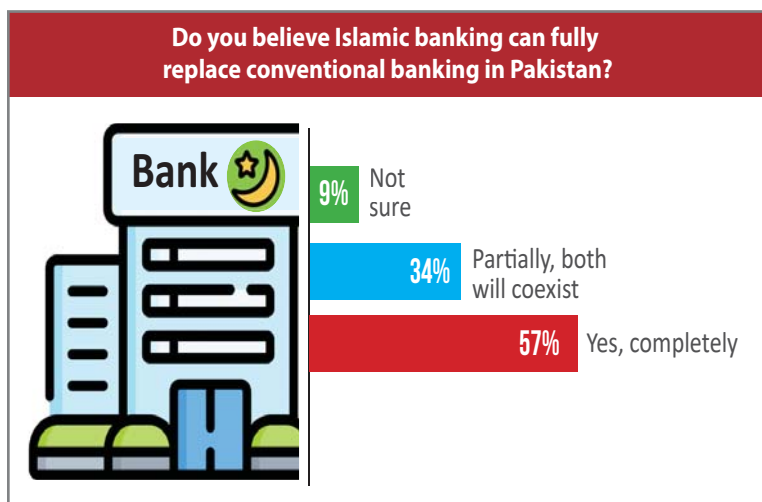


## 47% see competition from conventional banks as the biggest challenge

When asked about the key challenges faced by Islamic banks in Pakistan, 47% of respondents identified competition from conventional banks as the most pressing issue. Additionally, 43% pointed to a “lack of awareness,” 37% cited “limited product offerings,” and 34% mentioned “regulatory issues.” These findings highlight the need to address market awareness, product development, and regulatory support to strengthen the position of Islamic banking.



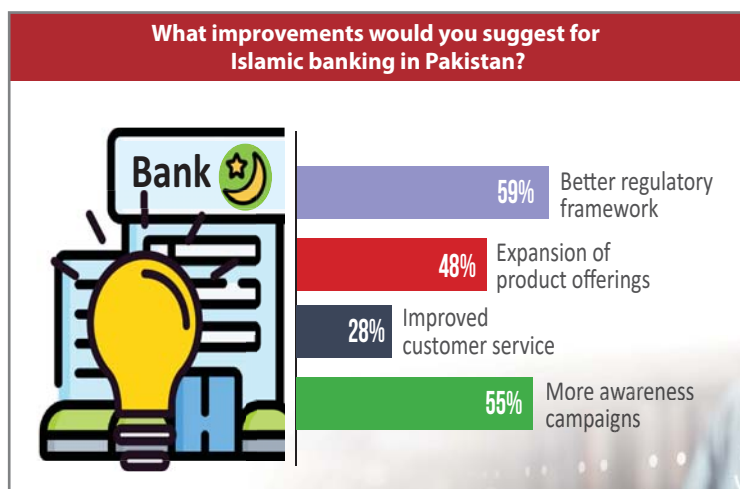
## 57% believe that Islamic banks can replace conventional banking in Pakistan



When asked whether Islamic banks could replace conventional banking in Pakistan, 57% of respondents expressed confidence in a full transition. Meanwhile, 34% believe both systems will continue to coexist, and only 9% were uncertain. These results highlight strong public belief in Islamic banking as a viable alternative to the conventional system.

## 59% suggest better regulatory framework to improve Islamic banking

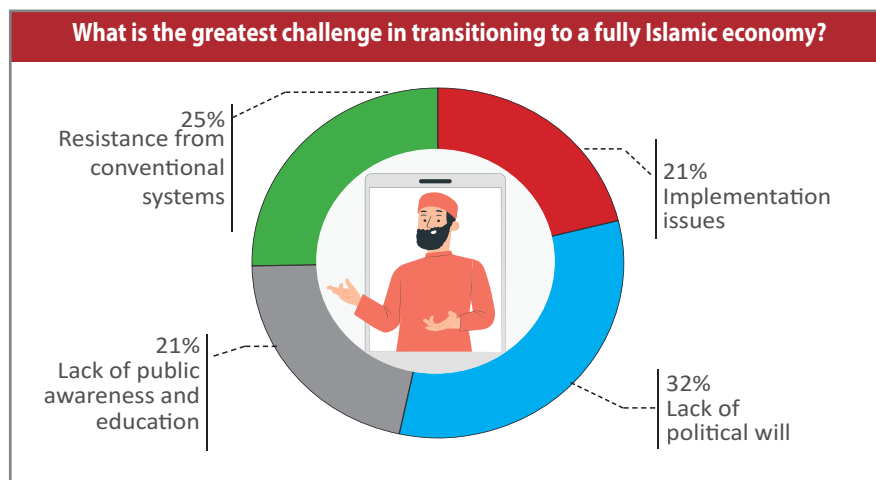
When asked how Islamic banking in Pakistan could be improved, 59% of respondents recommended strengthening the regulatory framework. Additionally, 55% emphasized the need for greater public education, and 48% suggested expanding product offerings. Another 28% proposed enhancing customer service. These responses point to the need for structural, regulatory, and promotional reforms to support the sector’s sustained growth.



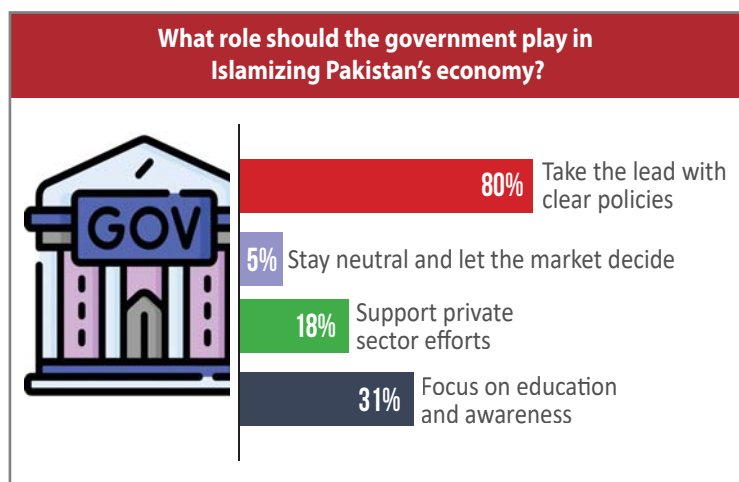


## 57% identify lack of political will and conventional system resistance as key barriers to Islamization

The survey reveals that 57% of respondents see the lack of political will (32%) and resistance from conventional financial systems (25%) as the main obstacles to achieving a fully Islamic economy. In addition, 21% cited implementation challenges, while another 21% pointed to limited public awareness and education—highlighting the need for stronger policy commitment, institutional support, and public engagement.



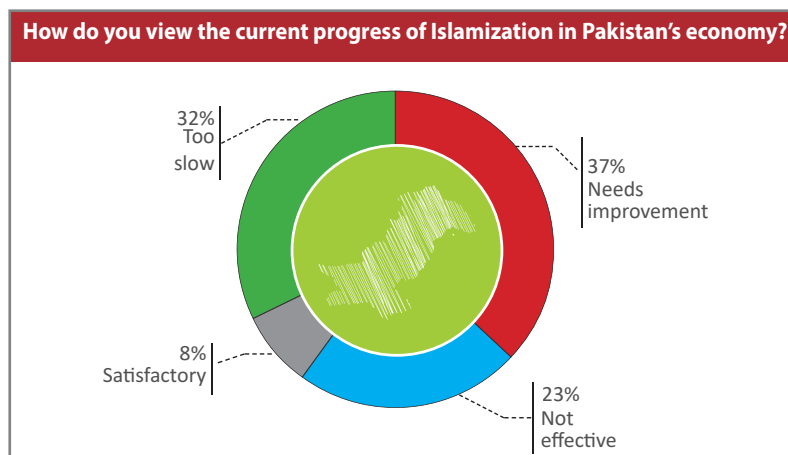
## 80% believe government must lead in Islamization process with clear policies



A significant 80% of respondents believe the government should take the lead in the Islamization process with clear policies, demonstrating strong support for direct action. Additionally, 31% emphasize the importance of education and awareness, while 18% advocate for government support of private sector efforts. Only 5% favor government neutrality and market-driven decision-making, showing a broad consensus for proactive involvement from the government.

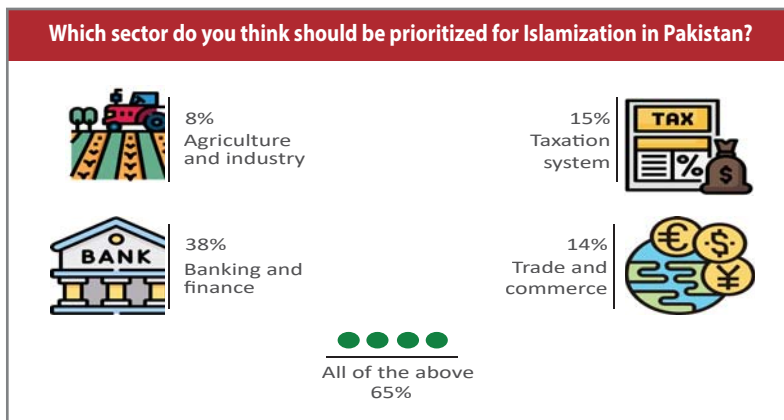
## 69% urge faster and more effective islamization of Pakistan's economy

The survey reveals that 69% of respondents believe the Islamization of Pakistan's economy needs significant improvement. Of these, 37% feel the process "needs improvement," while 32% think it is "too slow." Additionally, 23% find the process "not effective," and only 8% consider the current progress "satisfactory." These results indicate widespread concern about the pace and effectiveness of the Islamization efforts.

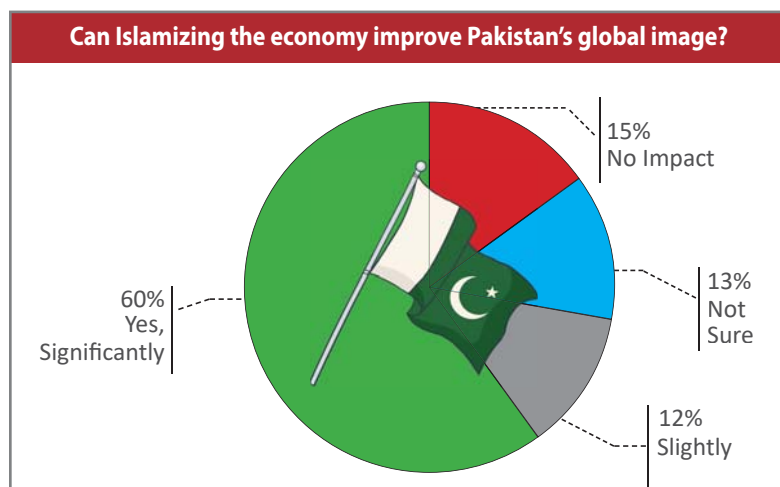


## 65% determine that all sectors should be prioritized for Islamization

The survey shows that 65% of respondents believe all sectors should be prioritized for Islamization simultaneously, reflecting a strong preference for a comprehensive approach. Among them, 38% consider banking and finance the most important sector, followed by 15% for taxation, 14% for trade and commerce, and just 8% for agriculture and industry. This indicates a broad desire for Islamization across various key sectors, with a particular focus on the financial sector.



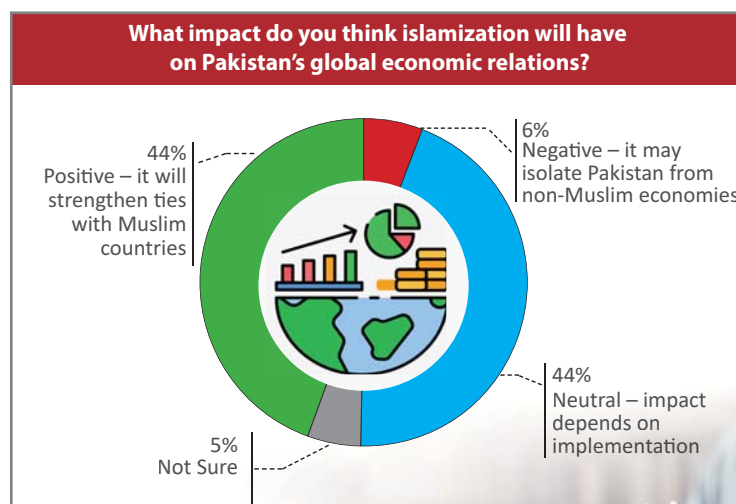
## 60% think Islamizing the economy will enhance Pakistan's global image



The survey reveals that 60% of respondents think Islamizing Pakistan's economy could significantly boost the country's global image. In contrast, 12% believe the impact would be minimal, 15% see no impact, and 13% are unsure. These findings suggest a strong belief in the positive international perception that could result from this economic shift.

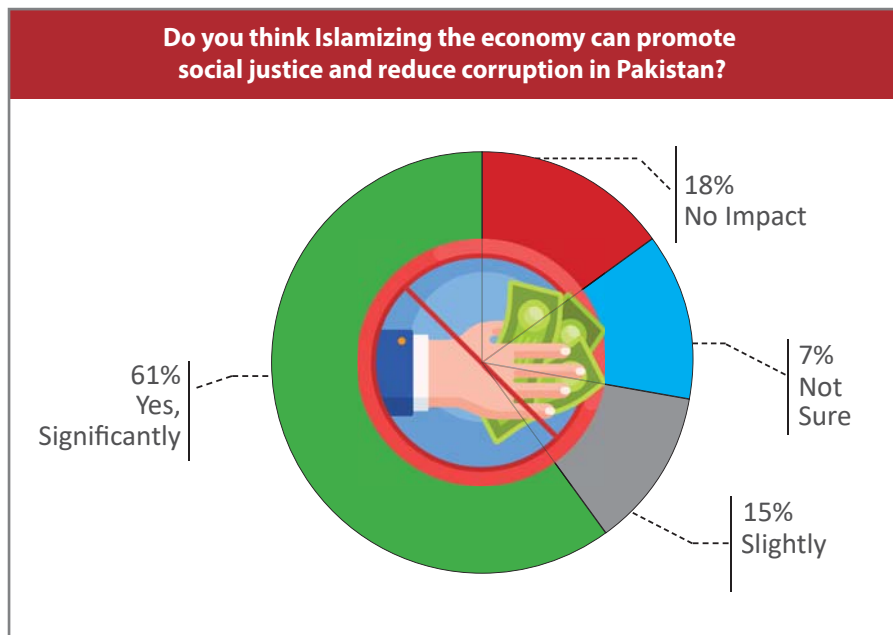
## 44% believe islamization will strengthen ties with Muslim countries

The survey aimed to gauge respondents' views on the potential impact of Islamization on global economic relations. A significant 44% believe Islamization could positively enhance Pakistan's relationships with Muslim countries, while another 44% feel its success will depend on the effective implementation of policies. Conversely, 6% foresee a negative impact, and 5% are uncertain. These results highlight a split in opinion, emphasizing that the outcome of Islamization is largely contingent on policy execution.



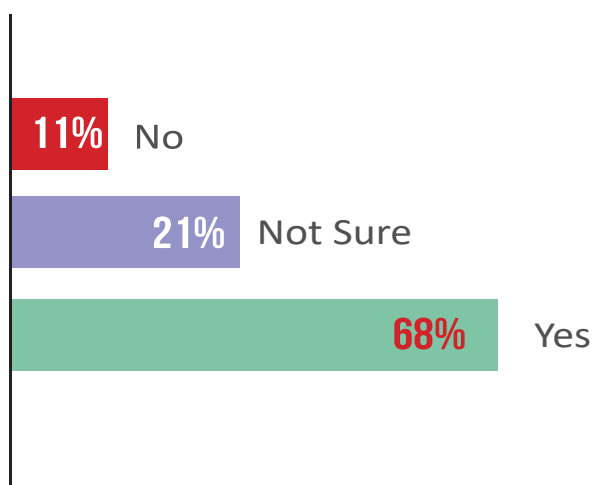
## 61% believe Islamization could reduce corruption and promote social justice

When asked about the role of Islamization in reducing corruption and ensuring social justice, 61% of respondents considered it a significant step forward. In contrast, 18% believed there would be no impact, 15% felt the effect would be minimal, and 7% were uncertain. These findings suggest that Islamization is widely viewed as a potential driver for promoting fairness and reducing corruption within the economy.



## 68% want Pakistan to negotiate IMF loan terms in line with Islamic economic principles

**Should Pakistan negotiate with the IMF to align its loan conditions with Islamic economic principles?**



A significant 68% of respondents agree that Pakistan should negotiate with the IMF to align its loan conditions with Islamic economic principles. Meanwhile, 21% are unsure, and 11% disagree, reflecting strong support for integrating Islamic principles into Pakistan's financial dealings with international institutions.

**DISCLAIMER:** The views expressed by the survey participants do not necessarily reflect the official viewpoint of the Institute of Cost and Management Accountants of Pakistan. Furthermore, Gallup Pakistan has conducted this poll according to the ESOMAR Code of Ethics and internationally recognized principles of scientific polling. The results of this Report do not represent views held by the authors or Gallup Pakistan. The results only represent public opinion, computed based on views expressed by anonymous respondents.