

## SYSTEMATIC LITERATURE REVIEW AND BIBLIOMETRIC ANALYSIS OF SHARIAH-COMPLIANCE IN SUKUK: SUBSTANCE OR MERELY BONDS?

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accepted: 22/7/2025; revised: 16/10/2025; published: 31/1/2026

**ABSTRACT:** This systematic literature review (SLR) surveys the scholarly conversation about Sukuk to see whether these Islamic bonds really follow Shariah rules or just dress up conventional debt in a new name. Using the PRISMA protocol, thirty peer-reviewed articles published from 2010 to early 2024 were pulled from the Scopus database. Bibliometric mapping with VOSviewer revealed three main themes: the different Sukuk structures, the guiding Shariah principles, and the default risk that can arise in these arrangements. An author-co-authorship network showed a small, tightly knit group of scholars working together, which points to rising global curiosity about Islamic capital markets. Yet data broken down by country was incomplete because key metadata went missing during the export. Overall, knowledge remains heavier on the design and compliance questions, while worries about default risk and its effect on investor trust are just beginning to surface. The review urges future studies on Shariah audits, legal harmonisation across jurisdictions, and social Sukuk aimed at the public good.

**Keywords:** *Sukuk, Shariah compliance, Islamic bonds, bibliometric analysis, PRISMA.*

### INTRODUCTION

Sukuk, commonly referred to as Islamic bonds, have grown significantly over the last twenty years, now occupying a central position in the global Islamic capital market. Designed to sidestep Shariah bans on *riba* (interest) and *gharar* (excess risk), these securities act as ethical substitutes for regular bonds by giving investors partial ownership in real assets or services. According to the IIFM Sukuk Report 2023 (12th Edition), global Sukuk issuance in 2022 totaled approximately USD 182.7 billion, bringing the total issuance since 2001 to approximately USD 1.8 trillion. The Sukuk market remains relatively concentrated with the outstanding Sukuk of a mere few

jurisdictions, such as Malaysia, Indonesia, the GCC, and Turkey, amounting to a total of USD 794 billion, which accounts for nearly 94%. However, this trend is gradually being altered as high-potential nations such as Pakistan, Bangladesh, Egypt, and Nigeria become increasingly involved in issuing Sukuk. This expansion further supports the widening role of Sukuk not only in Muslim economies but also in jurisdictions pursuing ethical and alternative investment instruments in the global financial system. Although the market for Sukuk has expanded rapidly, researchers and industry professionals still argue about whether these instruments really honor Islamic law or if they just dress up conventional bonds in a Muslim

wrapper. Disputes over questions like how assets are owned, how contracts can be enforced in court, and whether profits and losses are shared fairly have grabbed headlines, most recently in the high-profile Dana Gas case. Such debates drive at a central worry: are Sukuk genuinely Shariah-compliant at their core, or are they Shariah-compliant only on the surface?

Thus, the current research has three aims: (1) to identify the principal issues and research areas regarding Sukuk Shariah compliance, (2) to study the key authors

and research networks involved in this area, and (3) to highlight the gaps that should be filled in order to provide Sukuk structures with Shariah compliance.

## LITERATURE REVIEW

Existing studies on Sukuk have typically entailed debate on whether Sukuk instruments are actually Shariah-compliant or rather a copycat form of conventional bonds. Godlewski, Turk-Ariss, and Weill (2016) set that Sukuk is typically viewed by the markets as being fairly similar to conventional bonds, raising their uniqueness. This is consistent with the earlier critique by Usmani (2008), who argued that the majority of Sukuk structures, particularly Murabahah and Ijarah, are cases of the "form over substance" problem. Regulatory bodies such as the Islamic Financial Services Board (IFSB, 2023) have also highlighted challenges in the enforceability of Sukuk contracts across various jurisdictions, especially in cases of default. More recently, authors like Alam, Duygun, and Ariss (2018) have come up with the Green and SRI Sukuk, demonstrating that Sukuk can be developed into instruments that not only are Shariah compliant but also help in sustainable development.

Despite such contributions, the research literature remains disjointed with very little bibliometric mapping of

research networks and thematic evolution. This lack in turn necessitates a systematic literature review to consolidate existing knowledge and map out future directions of Sukuk studies.

## METHODS

The PRISMA framework was used in this systematic literature review (SLR) to ensure it was accessible and could be recited. We chose the Scopus database because it has a lot of journals about Islamic finance, including a lot of publications that focus on specific regions. The search string included keywords like "Sukuk," "Shariah compliance," "Islamic bonds," and "legal structure." It observed articles from 2010 to 2024.

There were 89 records found at first. We looked at 50 articles in detail to see if they were relevant, written in a language we could understand, and had been peer-reviewed. In the final stages, 30 articles were chosen for the thematic and bibliometric analysis.

We used VOSviewer to make maps of keyword co-occurrence, co-authorship networks, and patterns of citations. The minimum number of times a keyword had to appear collectively was two, and for author co-authorship analysis, the minimum number of publications was one to get an expanded network. The PRISMA flow chart shows how the literature was chosen.

## Identification

Initial results retrieved: 89 articles. The search string was developed based on relevant keywords derived from preliminary scoping. Boolean operators and field codes were applied in Scopus to ensure comprehensive coverage of the topic while narrowing down to Sukuk-related Shariah compliance issues. The exact search string used is presented below to maintain transparency and replicability, following PRISMA reporting

standards.

At the screening stage, inclusion criteria were applied to ensure quality and relevance. At the screening stage, inclusion criteria were applied to ensure quality and relevance. Only peer-reviewed journal publications published in English from 2010 to 2024 were examined. After reviewing the title and abstract, duplicates and irrelevant articles were eliminated. Abstracts were assessed during the eligibility stage for their relevance to Sukuk structures, Shariah compliance, default risk, and legal frameworks. Following this approach, 30 publications were considered suitable and included to the bibliometric collection.

### RESULTS AND DISCUSSION

In the bibliometric analysis, citation maps, author co-authorship, and keyword co-occurrence were created using VOSviewer. Overall, the results revealed focused themes and emerging collaboration structures in Sukuk research.

#### Keyword Co-occurrence

Based on a minimum of two occurrences, three dominating keywords were identified: Sukuk (15 occurrences), Islamic finance (6 occurrences), and default risk. These terms formed a cohesive network, demonstrating a thematic focus for Sukuk compliance, its connections to Islamic finance systems, and the issues of default risk management.

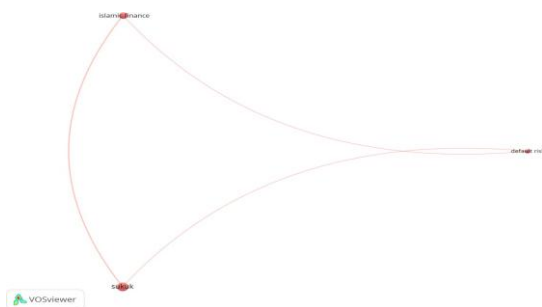


Figure 1. Keyword Co-occurrence Network

Source: VOSviewer Analysis (2025)

This figure illustrates the keyword co-occurrence network among the selected articles. The largest nodes represent the most frequently used keywords, indicating core research themes around Sukuk, Islamic finance, and default risk. Cluster colors highlight thematic groupings in the field.

One significant collaboration cluster involving academics like Li Xitong, Spinu Adina Eleonora, Jaradat Mohammad, Shabbir Muhammad Shahzad, and Rehman Waqas Ur was identified by the co-authorship network. While the overall collaboration density is still moderate, this indicates that there is room for more extensive international cooperation and highlights a growing network of experts actively researching Sukuk Shariah-compliance across institutions and countries.

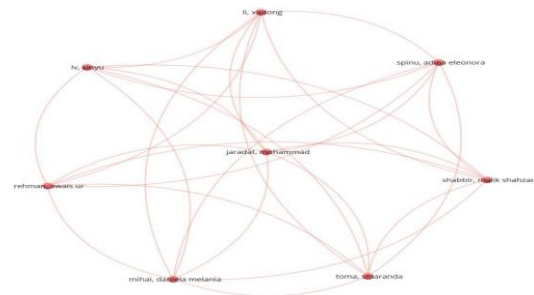


Figure 2. Keyword Co-occurrence Network

Source: VOSviewer Analysis (2025)

This figure depicts the co-authorship relationships among the included articles. The network shows a central collaboration group featuring authors such as Li Xintong, Spinu Adina Eleonora, Jaradat Mohammad, and others, reflecting active research networks in Sukuk Shariah compliance studies.

VOSviewer was unable to process country affiliations directly due to limitations in the Scopus CSV data. Nevertheless, a manual review of the author details reveals that Malaysia, Indonesia, and the Gulf Cooperation Council (GCC) nations have made significant contributions,

which is in line with their significant positions in the global Sukuk market.

The 30 articles had anywhere from 0 to 33 citations. Reflecting the continuous argument over the form versus content of Shariah compliance, the most-cited papers addressed Sukuk default structures and legal enforceability. This demonstrates how important these subjects are in determining the direction of upcoming Sukuk research projects.

The implications of this review's results are that several recurring topics course through the Sukuk and Shariah-compliant literature. The first overarching theme concerns Sukuk structural authenticity, whereby multiple studies question whether current Sukuk structures really do provide the asset-based ownership and risk-sharing principles mandated by Shariah. Scholars contend that some Sukuk, especially those based on Murabahah and Ijarah, might be too similar to traditional bonds, causing "form over substance" issues. The Dana Gas case is frequently cited as an illustration of how Shariah board approvals and legal enforceability clashed, casting doubt on Sukuk's compliance frameworks.

A second concern is related to legal frameworks and dispute resolution. The difficulty of upholding Sukuk contracts in dual legal systems is frequently mentioned in studies, particularly in Malaysia and the GCC nations. Harmonization of Sukuk regulation is hampered by disparities in Shariah board decisions and a lack of international standards.

Scholars support more transparent dispute resolution procedures that genuinely give Shariah principles precedence over civil codes by default.

Another prominent issue concerns default risk and investor confidence, particularly in light of several theme surfaced: default risk,

especially after prominent Sukuk defaults. Investor concerns are heightened by unclear legal frameworks, weak asset ownership structures, and inadequate transparency. Improving standardization and fortifying Shariah auditing procedures may boost market trust and lower perceived default risks.

Finally, research gaps and collaboration also emerge as important findings. While co-authorship networks are growing, research is still primarily focused on legal and structural issues, with less attention paid to social impact assessments, technology adoption, and cross-border regulatory harmonization, according to the literature. These gaps present significant opportunities for further study to enhance Sukuk's standing as a genuinely Shariah-compliant and socially advantageous instrument.

## CONCLUSION

A thorough understanding of the current state of research on the Shariah compliance of Sukuk instruments is provided by this systematic literature review and bibliometric analysis. According to the study's findings, academic research has mostly focused on three interconnected topics: the legal frameworks controlling the implementation and enforceability of Sukuk, the difficulties that investors and regulators face due to default risk, and the structural authenticity of Sukuk. Concerns regarding the substance-versus-form debate remain highly relevant in today's Islamic capital markets, according to these thematic patterns, which are corroborated by keyword co-occurrence and citation analysis.

According to the co-authorship analysis, the research landscape is still relatively fragmented and focused on legal and structural mechanics, even though there is a growing collaborative network among scholars studying Sukuk. Particularly in interdisciplinary fields

involving Islamic law, ethics, economics, and development studies, there is a great deal of potential to grow cooperative networks. Policymakers, regulators, and Shariah boards must endeavor to harmonize practices in light of the limitations described in this review, especially the lack of uniformity in Shariah interpretations and the disparities in legal enforceability among jurisdictions. By doing this, Sukuk's legitimacy as a Shariah-compliant instrument would be reinforced, and investor confidence and market stability would increase.

Additionally, this review highlights a significant gap in the literature regarding socially impactful Sukuk, like green Sukuk and SRI Sukuk, which could be used to further the Sustainable Development Goals (SDGs) and public welfare. In accordance with maqasid al- Shariah (the goals of Shariah), such instruments could transform Sukuk from a profit-oriented bond substitute into a tool of inclusive Islamic social finance.

As a result, future researchers should concentrate on three key areas: first, designing and monitoring Shariah audits that ensure authenticity; second, incorporating blockchain technology to improve asset tracking and transparency; and third, developing Sukuk structures that more effectively support social and environmental goals. By resolving these shortcomings, Islamic money and financial markets can better fulfil their moral commitments and serve as a viable alternative to traditional debt markets. Outlining these routes demonstrates the path toward a more complete and socially relevant Sukuk framework in the future.

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