

Analytical Study of the Economic Role of Al Salam Bank
"A Comparative Study Between Al Salam Bank of Sudan and Al Salam Bank
of Algeria 2011-2016"

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دراسة تحليلية للدور الاقتصادي لبنك السلام

"دراسة مقارنة بين بنك السلام السوداني وبنك السلام الجزائري (2016/2011)"

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Abstract:

The identity of the individual Muslim is based mainly on a combination of the performance of worship and organization in transactions through devotion to Allah Almighty in the speech and actions, and follow the Messenger peace be upon him; The study aims mainly to analyze the economic role played by Al Salam Bank) In the State of Algeria (as a banking environment where there are no laws governing Islamic banking); and the State of Sudan (as a banking environment in which there are laws regulating Islamic banking); And draw the most important results. The main findings are that investment deposits represent the most important sources of financial resources available at Al Salam Bank of Sudan, which helps the Bank to contribute to the financing of economic and social development by financing activities and projects that serve development purposes better than the Algerian counterpart.

Keywords: Banking Environment, Economic role, Banking System, Islamic Bank.

Jel Classification Codes : G21;P51.

ملخص:

إن هوية الفرد المسلم تقوم أساسا على الجمع بين أداء العبادة والتنظيم في المعاملات من خلال الإخلاص لله عز وجل في القول والعمل ، وإتباع الرسول صلى الله عليه وسلم؛ تهدف الدراسة بشكل أساسي إلى تحليل الدور الاقتصادي الذي يلعبه مصرف السلام في دولة الجزائر (ككيئة مصرفية لا توجد فيها قوانين تحكم العمل المصرفي الإسلامي). ودولة السودان (ككيئة مصرفية توجد فيها قوانين تنظم العمل المصرفي الإسلامي)؛ ورسم أهم النتائج. وأهم النتائج أن الودائع الاستثمارية تمثل أهم مصادر الموارد المالية المتاحة في مصرف السلام السوداني مما يساعد البنك على المساهمة في تمويل التنمية الاقتصادية والاجتماعية من خلال تمويل الأنشطة والمشاريع التي تخدم أغراض التنمية بشكل أفضل من الجزائري. النظر.

الكلمات المفتاحية : البيئة المصرفية ، الدور الاقتصادي ، النظام المصرفي ، البنك الإسلامي.

الترميز الاقتصادي (JEL) : G21 ؛ P51.

I- Introduction :

The world is witnessing a variety of experiences in the area of Islamic banking, Represented in the establishment of a fully Islamic banking system, or the establishment of Islamic banks, or open branches and windows in traditional banks trying to attract customers who do not deal with the interest rate take or give, And the central bank in the frame of exercising some of its functions we find that there is an environment in which Islamic banks are governed by the laws governing Islamic banking (ex: Sudan), There is also an environment in which Islamic banks are governed by the laws of the traditional banks, where the central bank practices its various operations in a unified law that applies to all banks without exempting Islamic banks' activity from the way they organize and control their operations except within narrow and exceptional limits, this represents a major obstacle for these banks to carry out their activities properly away from the suspicion of usury ('take and give'), which is forbidden by Islamic (ex: Algeria).

1. Study Problem:

From the previous presentation, and within the overall objective of the study, and to determine the parameters and purpose of the study, so the question in this regard is: **What are the most fundamental differences between the economic role played by the Islamic ALSALAM Bank in Sudan and the role it plays in Algeria as two completely different banking environments?**

2. Purpose of the study:

The main purpose of this research is to analyze the economic role played by the Islamic ALSALAM Bank in each of Algeria (as a bank environment where there are no laws regulating Islamic banking), and the State of the Sudan (as a banking environment with laws regulating Islamic banking).

3. The followed approach:

In this research, we follow the descriptive approach, the analytical approach and the comparative approach; this is through addressing the Algerian banking system and the Sudanese banking system, and then analyzes the economic role played by the Al Salam Bank under the traditional banking system and another Islamic, in addition we use statistics to study annual reports and financial statements, then we use financial ratios and analyze them, then compare them and formulate results.

4. Study subdivisions:

To know the aspects of the raised problem, and in order to achieve research objectives, this study was divided into a series of consecutive elements, where we will touch on an overview of the emergence of Islamic banks and then to the Algerian banking system and then to the Sudanese banking system in a brief and accurate way, then analyze the economic role played by Al Salam Islamic Bank in both systems.

II- Results and discussion:

1. Overview of the emergence of Islamic banks:

It is well known to many researchers that the first attempt to establish an Islamic bank was in the late 1950s in a rural area of Pakistan, although it has no trace that remains now, where a small experiment of interest-free bank was created by some farmers who were willing to deposit funds

without any interest, these funds were given to other poor farmers to improve their agriculture without any interest on loans, Once the Pakistan experiment ended, a new experiment began in Egypt. (chichi, 2008, page 01).

However, a study revealed an article dating back to 1347 AH / 1928 AD, calls for the establishment of an Islamic bank operating in Algeria according to the rules of Islamic jurisprudence under the designation (Algerian Islamic Bank) after the drafting of its Basic Law and the collection of its nominal capital by the business leaders of the city of Algeria of Muslims, but the French occupation authorities confronted this project and aborted it. (Bel Abbes, 2013, p. 01).

In practice, there are three models of environments in which Islamic banks worldwide operate legally; they are as follows (Nasser, 2006, p. 5):

- ◆ Full Islamic banking system model: Like Sudan's experience.
- ◆ A model of a system with special laws to monitor the operations of Islamic banks: Malaysia, Turkey, UAE, Yemen, Kuwait, Lebanon.
- ◆ The model of a system in which Islamic banks are subject to the laws governing other banks: The case of the rest of Islamic and Western countries, and Algeria falls within this model, where the operations of all banks operating in the country are subject to the same law, however, despite the difference in the nature of the work between Islamic banks represented in the Algerian Baraka Bank and Bank of ALSALAM and other conventional banks.

2. Components of the Algerian banking system:

At the end of 2016, the banking system consists of twenty-nine (29) banks and financial institutions, all their social headquarters are located in the country's capital, as accredited intermediaries banks collect resources from the public, and distributing loans to customers directly or through the purchase of bonds in the financial market issued by economic and other financial institutions, In addition to making payment methods available to customers and manage them, also carries out various banking operations (Bank of Algeria, 2016, pp. 81-82); The intervention of the Governor of the Central Bank of Algeria to the National People's Assembly (Governor of the Central Bank of Algeria, 2018, p. 5) stated:

- ◆ At the end of 2016, the Algerian banking system was strengthened by 20 new agencies, increasing the number of banking network agencies from 1557 at the end of 2015 to 1,577 by the end of 2016; the public network is widely dominated by 1,151 agencies, while the private network includes 426 agencies, in 2017, 35 new agencies were approved, yet banking intermediation remains relatively weak and needs to be more motivated.
- ◆ As regards the fight against money laundering and the financing of terrorism, since February 2016, Algeria has emerged from the list of countries with strategic failures in this field, according to the General Statement of the Financial Action Group (GAFI).

2.1 Analysis of the development of banks and financial institutions operating in Algeria:

In order to analyze the development of banks and financial institutions operating in Algeria for the period 2011 to 2016, which can be illustrated in Table 1.

From the data of Table 1 we note the following:

- ◆ As for the total number of banks and financial institutions, we note that it has not changed since 2012, reaching 29 banks and financial institutions, divided into 20 banks and 09 financial institutions;

- ♦ The total number of banks and financial institutions reached 1,577 at the end of 2016, an increase of 10.59% compared to the end of 2011;
- ♦ The total amount of various types of deposits at the end of 2016 amounted to 9079.9 billion Algerian dinars, an increase of 34.86% compared to the end of 2011, which shows the role of the banking system in mobilizing and attracting savings;
- ♦ The total amount of loans directed to the economy at the end of 2016 amounted to 7907.8 billion Algerian dinars, an increase of 112.31% compared to the end of 2011, which shows the extent of the banking system in financing economic sectors.

As an overview of the Algerian banking sector, we find that it constitutes only 4.9% of the Arab banking sector, although the Algerian economy accounts for 8.4% of the Arab economy, this indicates that the banking sector in Algeria must keep pace with the importance and size of the Algerian economy, despite the development of Algerian banks in terms of increasing their assets and capital, it still suffers from its small size compared to Arab and foreign banks; It should be noted that private banks located in Algeria are branches of foreign banks, which means the absence of private national banks, and this affects the degree of competition between banks and the level of services provided and the development of banking products (Studies and Research Department, p. 01).

The openness of the Algerian banking system to Islamic banking will enable Algeria to benefit from what Islamic banks offer in various fields, especially since Algeria is in a stage of growth that needs all that supports this growth and development, in view of the role and great importance of Islamic banks in achieving economic and social development, it requires the monetary authorities to create a climate conducive to their work, Islamic banking in Algeria is based on the work of banks and branches of Arab Islamic financial institutions and the windows of local banks, as follows:

- ♦ Algeria's Al Baraka Bank, established in 1990 and the first banking institution operating in accordance with the principles of Islamic law in Algeria;
- ♦ AL Salam Bank, which entered the Algerian banking market in 2008;
- ♦ Arab Banking Corporation (ABC), established in 1998, provides Islamic banking services through a branch called ABC Islamic Bank to reassure customers and counterparties about the continued compatibility and credibility of products and services;
- ♦ Islamic branch of Gulf Bank Algeria;

The government also allowed three public banks to open Islamic windows from November 2017, namely the National Popular Loan Bank, the National Saving and Reserve Fund Bank and the Local Development Bank.

The volume of Islamic assets in Algeria in 2013 amounted to more than \$3 billion, or about 2.4% of total banking assets, banks operating under Islamic law are growing faster than traditional banks in Algeria, it recorded a growth rate of 15% in 2013, the assets of Al Baraka Bank of Algeria amounted to \$ 2.01 billion, the assets of ABC Islamic Bank \$ 0.66 billion, and the assets of Al Salam Bank about \$ 0.41 billion (Studies and Research Department, 2018, p. 02).

The share of Islamic banks in the Algerian banking market remains modest, public banks hold 87% in terms of deposits or financing, while the rest of the banking institutions compete for the remaining 13% and the shares of Al Baraka Bank and Al Salam Bank do not exceed 17% due to the

modernity of these banks and not belonging to large groups such as international banks known, as well as the approved financing and credit policy (Haider Nasser, 2018, p. 37).

2.2 AL SALAM Bank Algeria:

Al Salam Bank started its activities from 20/10/2008 as a result of the Algerian-Emirati cooperation, its network currently consists of seven branches (Al Salam Bank, 2016, page 30), it is one of the banking units of Bahrain Bank, which is deployed in three countries: Bahrain, Sudan and the United Arab Emirates, and it is an important gain for the Algerian banking market (Salam Bank, 2018, p. 30); the nominal capital of Salam Bank is 10 billion Algerian dinars, and the accumulated profits are calculated at 16 billion Algerian dinars (Haider Nasser, 2018, p. 38).

The financing methods of Al Salam Bank Algeria, like other Islamic banks, are divided according to the contracts used, Where we find the contracts of compensation (peace, installment sale, forward sale, Murabaha of the purchase order, Istisna, Ijarah ended ownership), and contracts of participants (speculation, participation, farming ...).

Al Salam Bank provides corporate and individual services; the first includes: banking operations (current account, free check book, automatic money transfer service), foreign trade (collection policies, documentary transactions, undertakings and bank guarantee letters), and methods of financing through each of the following contracts (Murabaha contract for purchase order, lease contract, peace contract, Mudaraba contract, Musharaka contract, Istisna'a contract etc.), and the second includes: Banking (current account, free check book, and ATM), and investment accounts (Omniyet Savings Accounts, Investment Account), and services (e-payment card "Aamina", deposit boxes "aman"), it also offers a range of other banking services including: ATMs and automatic payment tools spread across many vital areas, and remote banking services, and Swift email service "swifti", online payment service (E-Amina) (Al Salam Bank, 2018).

3. Components of Sudanese banking system:

The Sudanese banking sector operated in the traditional system until the 1970s, some banks relied on the Islamic system for their activities, and thus became a dual system with the presence of Islamic and conventional banks; the process of total transformation to the Islamic banking system began in 1984, but these measures lacked a serious practical application of the foundations of Islamic finance, the effects of the transformation of the Islamic banking system were only seen in 1990, following official decisions that obliged all financial institutions to implement Islamic financing formulas and covered the whole banking sector, including the Central Bank of the Sudan; after the signing of the peace agreement between the central government and the southern government in 2006, the application of an Islamic banking system in the north and traditional in the south was approved, and the South was separated from the north in 2011, the Sudanese banking system became the leading system in the application of the Islamic banking system in the Arab world and Islamic countries, Sudan was ranked 10th in the Islamic Finance Index 2015/2016 according to a report by the Thomson Reuters Foundation (Reuters, 2015/2016, p. 13), in 2015 Sudan was removed from the gray list that was made by the International Financial Action Group (FATF), where the Sudan became classified among countries whose laws and financial procedures conform to laws and practices relating to combating money laundering and financing of terrorism (Islamic international rating, 2017, p. 02), despite the fact that US sanctions severely affected the

Sudanese banking sector, it was the most developed among the Arab banking sectors for 2016 (Al-Arabiya, 2017, p. 30).

3.1 Development of Banks Operating in Sudan:

The number of banks operating in Sudan (37 banks) at the end of 2016, branches spread in the different states of Sudan, and all operate in accordance with the principles of Islamic law with only about 15% of the population aged 15 and above (Islamic International Rating, 2017, page 02); the table 2 shows the evolution of banks operating in the Sudan from 2010 to 2016;

Through the table 2 data, we note that the number of banks declined from 39 in 2010 to 33 in 2011 due to the separation of the South from the North. After 2011 there was a consecutive increase in both 2012 and 2013; there was an increase in the rate of two banks per year; in 2012 two foreign banks, the National Bank of Egypt and Abu Dhabi Islamic Bank, entered the sector; in 2013, two banks, Qatar Islamic Bank and Pioneers Bank for Development and Investment, entered; The number of commercial banks increased from 31 to 32 by the end of 2016 due to the transformation of Pioneers Bank for Development and Investment from a specialized bank to a commercial bank; The number of foreign banks dropped from eight in 2015 to seven by the end of 2016 as a result of Ivory Bank becoming a joint commercial bank;

3.2 Al Salam Bank of Sudan:

The most important information about Al Salam Bank of Sudan can be summarized as follows (Al Salam Bank, 2016):

- ◆ A public shareholding company with limited liability licensed to act as a commercial bank;
- ◆ Starting date, May 2005;
- ◆ The declared capital is \$ 100 million divided into 100 million shares, the value of each share is \$ 1 equivalent to 2.54 Sudanese pounds, and the paid-up capital is 254 million Sudanese pounds. A grant, of 32,910,350 Sudanese pounds in 2013 representing 5% of the bonus shares, and an amount of 15,561,400 Sudanese pounds in 2016 representing 5% of the bonus shares;
- ◆ Volume of activity: The total budget size at the end of 2016 was about 2.25 billion Sudanese pounds.

4. Comparison of the developmental role of the Sudanese Al Salam Bank and its Algerian counterpart:

In order to compare the developmental role of Al Salam Bank of Sudan and its Algerian counterpart, we rely on the following two elements:

4.1 Developments in the growth rate of total resources, deposits and equity:

The various growth rates of total resources, deposits and equity can be combined in table 3.

From the data of Table 3 we note the following:

- ◆ Developments of the total resource growth rate in 2011-2016; there has been a steady growth in the total resources of the banks in general during the years of the study except in 2014, with the Algerian AL Salam Bank (Algeria) recording a decrease in the volume of resources estimated at (-8.20%); in addition that the growth rate was fluctuating in the two banks throughout the study period, for the Sudan AL Salam Bank, the instability of the economic and political conditions experienced by Sudan during the study period from US sanctions and separation of the south from the north, could be the cause of volatility and low growth rates;

- ◆ The continuous growth in the total resources of the two banks under study in general during the study years shows the increase and growth of the various items of the general budget, Whether in terms of obligations (liabilities) with the deposits and equity it covers, or in terms of assets, including various forms of employment, which indicates the increase and growth of the size of the banks and hence all their various activities;
- ◆ Algerian Al-Salam Bank achieved the biggest growth rate in its total resources on average in the years of study estimated at 17.42%, while Sudanese Al-Salam Bank recorded an estimated rate of 5.09%.
- ◆ Developments in the growth rate of deposits during the period 2011-2016:
- ◆ There is a continuous growth in the total deposits of the group of banks under study in general during the study years except 2014, there was a decline in the volume of deposits estimated at -13.11% for the Sudanese Al Salam Bank and -18.72% for the Algerian Al Salam Bank; in addition that the growth rate was fluctuating in both banks throughout the study period;
- ◆ The average growth rate of total deposits of the two banks under study ranged from 2.43% to 24.39% for the years, Algeria's Al Salam Bank achieved the highest growth in total deposits on average for the years of the study;
- ◆ For developments in the growth rate of equity during the period 2011-2016:
- ◆ There is a continuous growth in the volume of equity of the two banks in general during the study years, except in 2015, as the Algerian bank Al Salam recorded a decrease in the volume of resources (-17.57%); in addition, the growth rate was fluctuating in the two banks throughout the study period.
- ◆ The average growth rate of the equity of the banks under study ranged from 8.91% to 15.39% for the years of study, Al Salam Bank of Sudan has achieved the highest growth in total equity on average for the years of study.

4.2. Analyze the results of the developmental role indicators of Al Salam Bank of Sudan and its Algerian counterpart:

Some indicators of the developmental role of Al Salam Bank of Sudan and its Algerian counterpart can be collected in the table 4:

- ◆ The ratio of external resources (deposits) to total resources at both banks in question generally rises, and, conversely, the decline in the ratio of equity to total resources is evident;
 - ◆ The high percentage of external resources (deposits) reflects the relative importance of total resources, consequently, the activity of banks could be considered to depend mainly on deposits for their financing, especially that the majority of equipment and fixed assets of banks are property rights, which are originally attributed as a basic resource for the total resources are low.
 - ◆ The ratio of total deposits to total resources of the two banks on average during the study period ranged from 43.42% to 51.14%, it recorded the lowest percentage of the Sudanese AL Salam bank.
 - ◆ The ratio of equity to total resources for banks during the study period ranged between 31.14% and 45.16%, it recorded the highest percentage of the Sudanese AL Salam Bank;
- By comparing the ratios of equity to the total resources of the study banks, we find the best is Al Salam Bank of Sudan; it relies in its activity on the ratios of equity which in 2011 was 36.14%; positive growth has been seen steadily rising to 52.24% in 2016, while Algeria's Al Salam Bank recorded 40.29% in 2011, a steady decline in growth rates to 26.93% was observed in 2016.

◆ By comparing the ratio of deposits to the total resources of the study banks, we find the lowest percentage was recorded by the Al Salam Bank of Sudan with rate of 39% in 2014, compared to 48% in 2011, while the highest percentage recorded in the study period was the Algerian AL Salam Bank in 2012 by 62.60%.

Developments in the ratio of total current deposits and investment deposits to total deposits:

◆ The ratio of investment deposits to total available deposits was very acceptable at Al Salam Bank of Sudan, where the average ratio of investment deposits to the total deposits available was approximately 50% during the period 2011-2016, while the Algeria's Al Salam Bank had a low rate, where the average ratio of investment deposits to the total available deposits was 18.51%, this means that current deposits represent the majority of total deposits, where the average ratio during the study period was 81.49%;

◆ The ratio of long-term employment to total employment during the period 2011-2016;

◆ A significant reduction in the long-term employment ratio to total employment in Algeria's Al Salam Bank; whereas it was acceptable in the Sudanese Al Salam Bank;

◆ The average long-term employment ratio to total employment of banks during 2011-2016 ranged from 11.54% to 58.05%; the highest ratio long-term employment to total employment in Sudan's Al Salam Bank was recorded at 60.30% in 2016, the lowest ratio long-term employment to total employment in Algeria's Salam Bank was 6.22% in 2015;

◆ The ratio of long-term employment to total employment of Sudan's Al Salam Bank during the period 2011-2016 did not reach the 70% set by the Central Bank of Sudan (2014, p. 10), while there are no laws in Algeria regulating the work of Islamic banks;

◆ Although the average long-term employment to total employment in Al Salam Bank of Sudan reached 58.05% during the study period, it was noted that the ratio of real estate investments were high in 2015, representing 30.22% of total employment;

◆ It can be said that the banks under study are contributing to the process of economic development in different rates; banks with a high long-term employment/gross employment ratio contribute more than banks with a low percentage, taking into account the quality of employment throughout the study period, because there is long-term employment but does not serve development despite high returns such as real estate investments, there is also short-term employment, which is focused directly on social development;

◆ Banks where the ratio of long-term employment to total employment is low support the argument against Islamic banks for failing to support the development goals of their communities, because this often requires long-term investments.

◆ Long-term employment growth rate during the period 2011-2016;

◆ Fluctuation in growth rates for both banks;

◆ Growth rates averaged between 7.30% and 25.10% for the period of study, with significant negative growth rates recorded in the Algerian Salam Bank during 2013, 2014, and 2015;

◆ Growth rates were low on average in the study banks; these indicate bad indicators that can increase the negative impact of the previous indicator (long-term employment ratio to total employment), especially in Algeria's Salam Bank, whose long-term employment to total employment ratio was low;

♦ As for Al Salam Bank of Sudan, although the growth rates are low on average 7.30%, it recorded acceptable ratios of long-term employment to total employment during the study period.

III- Conclusion:

From the above, we conclude in this research to the following:

- ♦ Islamic banks emerged as a result of the widespread phenomenon of usury, forbidden by CHAREA giving and receiving, the reason for their late appearance was that most of the Muslim world was suffering from being destructed, ignorance and fighting Islamic identity;
- ♦ In practice, there are three types of environments in which Islamic banks in the world operate legally;
- ♦ At the end of 2016, the Algerian banking system consists of 29 banks and financial institutions, of which only two institutions adopt Islamic banking (noting the absence of laws regulating Islamic banking), while the number of banks operating in Sudan (37) in 2016 and their branches are spread in various states of Sudan, all operating in accordance with the principles of Islamic law;
- ♦ The Algerian Al-Salam Bank started its activities from the date of 20/10/2008 as a fruit of Algerian-Emirati cooperation. Its network currently consists of seven branches, while the date of operation of Al Salam Bank of Sudan is 10/2005 as a result of the Sudanese-UAE cooperation, its network currently consists of three branches; it is known that the more branches the better the bank's role in the dissemination and operation of Islamic banking services;
- ♦ Algeria's Al Salam Bank achieved the highest growth rate in its total resources on average for the years of study at 17.42%, while Al Salam Bank of Sudan recorded an estimated rate of 5.09%, Algeria's Al Salam Bank also achieved the highest growth rate in total deposits on average for years of study, Al Salam Bank of Sudan achieved the highest growth in total equity on average for years of study;
- ♦ By tracking both the deposit-to-total ratios and the equity-to-total ratios of the two banks in the study period, it is clear that there is a significant similarity with *riba*-based banks in terms of the low relative importance of equity and the primary dependence on external resources (deposits), Equity should represent a large proportion of the total resources of the banks under study, as banks investment activity is the main activity and characteristic feature, and they must rely heavily on their own resources to finance development investment projects;
- ♦ We concluded that investment deposits represent the most important sources of financial resources available at Al Salam Bank of Sudan, this shows that the nature of this deposit structure helps the bank to contribute to the financing of economic and social development, by financing activities and projects that serve development purposes better than its Algerian counterpart;
- ♦ We have also concluded that current deposits represent the most important sources of financial resources available at the Algerian Salam Bank, this shows that the nature of the deposit structure in this way places severe restrictions on the role of these banks and contribute to the financing of economic and social development through the financing of activities and projects that serve the purposes of development in the Sudan, although this type of deposit provides inexpensive resources that can be used in short-term investment operations;

- ♦ We also found that there is a negative trend in the growth of investment deposit ratios to total deposits in Algeria's Salam Bank, which gives a bad impression about the serious pursuit of attracting investment deposits, there was also a fluctuation in the ratio of investment deposits to total deposits in Sudan's Al Salam Bank as well; however, despite their fluctuations, they constitute acceptable proportions of the total deposits and the total financial resources attracted by banks specifically to finance activities and projects that serve economic development.

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Appendix:

Table1 : Development of banks and financial institutions operating in Algeria from 2011 to 2016

Years	2011	2012	2013	2014	2015	2016
Total number of banks and financial institutions	27	29	29	29	29	29
Number of agencies of public banks networks	1083	1091	1094	1113	1123	1134
Number of private banking network agencies	343	301	315	325	346	355
Number of agencies of financial institutions		86	85	88	88	88
Total assets of the banking sector to GDP	%62.6	%60.1	%62.5	%69.8	%75.3	%74.4

Source : Prepared by the researcher based on the annual reports of the Central Bank of Algeria from 2011 to 2016.

Table 2: Development of banks operating in Sudan from 2010 to 2016.

Years	2010	2011	2013	2012	2014	2015	2016
Numbers	39	33	37	35	37	37	37
Specialized banks		5	5	5	5	6	5
Shared		2	2	2	2	2	1
governmental		3	3	3	3	4	4
Commercial banks		28	32	30	32	31	32
Shared		23	24	23	24	22	24
governmental		1	1	1	1	1	1
Foreign		4	7	6	7	8	7

Source: Prepared by the researcher based on the annual reports of the Central Bank of Sudan from 2011 to 2016.

Table 3: Growth rate developments (total resources, deposits, property rights) during 2011-2016

Years	2011	2012	2013	2014	2015	2016	%
Developments in the growth rate of total resources in the period 2011-2016							
Sudan's AL Salam Bank	-	-	5.1%	2.7 %	6.5%	6.05%	%5.09
Algeria's Al Salam Bank	-	%32.07	%20.65	(%8.20-)	%11.75	%30.87	%17.42
Developments in the growth rate of deposits during 2011-2016							
Sudan's AL Salam Bank	-	-	%1.74	(%13.11-)	%14.62	%6.5	%2.43
Algeria's Al Salam Bank	-	%49.86	%23.35	(%18.72-)	%21.77	%45.71	%24.39
Developments in the growth rate of equity during the period 2011-2016							
Sudan's AL Salam Bank	-	-	%16.15	%25.10	%6.88	%13.45	%15.39
Algeria's Al Salam Bank	-	%0.23	%13.24	%11.16	(%17.57-)	%37.51	%8.91

Source: Prepared by the researcher based on the financial statements of Al Salam Bank of Sudan from 2013 to 2016, and the annual reports of Al Salam Bank of Algeria from 2011 to 2016.

Table 4: Some indicators of the developmental role of Al Salam Bank of Sudan and its Algerian counterpart during the period 2011-2016.

Years	2011	2012	2013	2014	2015	2016	Average	
Developments in the ratio of total deposits to total resources and the ratio of total equity to total resources								
Sudan's AL Salam Bank	Total deposits to total resources	-	48	46	39	41.97	42.15	43.42
	Equity to total resources	-	36.14	39.94	48.66	48.83	52.24	45.16
Algeria's Al Salam Bank	Total deposits to total resources	52.15	62.60	48.25	42.44	47.83	54.77	51.14
	Equity to total resources	40.29	30.57	28.69	34.75	25.63	26.93	31.14
Developments in the ratio of total current deposits and investment deposits to total deposits								
Sudan's AL Salam Bank	Current	-	46.19	47.93	44.33	49.83	56.4	48.94
	Investment	-	53.81	52.07	55.67	50.17	43.6	51.06
Algeria's Al Salam Bank	Current	80.63	83.12	79.75	73.22	81.94	84.27	81.49
	Investment	19.37	16.88	20.25	20.78	18.06	15.72	18.51
The ratio of long-term employment to total employment during the period 2011-2016								
Sudan's AL Salam Bank	-	58.5	56.10	56.18	59.17	60.30	58.05	
Algeria's Al Salam Bank	14.59	17	10.56	9.72	6.22	10.80	11.54	
Long-term employment growth rate during the period 2011-2016								
Sudan's AL Salam Bank	-	-	6.43	6.41	3.53	12.84	7.3	
Algeria's Al Salam Bank	-	69.13	(38.2-)	(23.42-)	(38.2-)	131.5	25.10	

Source: Prepared by the researcher based on the financial statements of the Sudanese Al Salam Bank and the Algerian AL Salam Bank.

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