

Beyond Economic Windfalls: A Maqasid Al-Shariah Framework for Inclusive Sme Development through Mega-Sporting Events

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Abstract

Purpose: This paper develops a Maqasid al-Shariah framework for assessing whether mega-sporting events translate economic spillovers into inclusive and sustainable SME development. **Design/methodology/approach:** The paper uses conceptual synthesis, integrating Maqasid scholarship with literature on sport-event impacts, SME development and ethical governance. The reported RM345 million spillover associated with the 2026 event described by Bernama as the Bahrain Gulf Air Formula 1 Grand Prix at Sepang International Circuit is used as contextual evidence rather than independently verified impact data. **Findings:** The proposed framework identifies five connected dimensions: productive wealth protection, distributive justice, ethical governance, human and community wellbeing, and environmental responsibility. It proposes that inclusive supply-chain access and institutional governance shape whether temporary event demand contributes to sustainable SME outcomes, while costs, exclusion and negative externalities may offset benefits. **Originality:** Rather than proposing another general Maqasid-based SME model, the paper theorises the event as a temporary policy intervention and links normative objectives to institutional conversion mechanisms, distributional outcomes and post-event accountability.

Keywords: Maqasid Al-Shariah, Mega-Sporting Events, SMES, Distributive Justice, Sustainable Development

Introduction

Mega-sporting events are often justified through their capacity to attract visitors, stimulate tourism demand, generate procurement opportunities and enhance a host destination's international profile. Their economic effects, however, vary by event, location, sector and visitor behaviour, and estimates of gross expenditure should not automatically be interpreted as net benefits to the host economy (Boto-García & Santana-Gallego, 2026; Fourie & Santana-Gallego, 2022). Recent research has accordingly called for more rigorous methods and more

integrated assessments of the economic, social and environmental consequences of major events (Gallegos-Meza et al., 2026; Madden, 2025; OECD, 2025).

The Malaysian context provides a timely case for this discussion. Bernama (2026) reported that local MSMEs reaped more than RM345 million in economic spillover associated with the event it described as the Bahrain Gulf Air Formula 1 Grand Prix at Sepang International Circuit. The report stated that approximately 261,000 spectators attended and almost half were foreign tourists; it also reported an estimate that spectators spent 2.17 times more than attendees at ordinary events. The sectors identified as benefiting included hospitality, food and beverage, retail, transport, entertainment, tourism-related services and support industries (Bernama, 2026). These figures are important as reported indicators of commercial opportunity, but the public report does not, on its own, provide sufficient methodological detail to determine whether the amount represents gross expenditure, net additional value, SME profit or the distribution of gains across business categories.

That distinction matters because event-related sales do not necessarily translate into sustainable enterprise development. A business may experience higher revenue while simultaneously facing increased labour, rental, stock, logistics, licensing or compliance costs. Benefits may also vary by location, sector, size of firm and access to formal supplier networks. Studies of sport-event impacts have found heterogeneous effects across locations and sectors, while methodological reviews caution against treating projected or aggregate spending as proof of net economic gain (Boto-García & Santana-Gallego, 2026; Rossini et al., 2025).

Maqasid al-Shariah offers a normative lens for assessing whether event-related economic activity advances legitimate welfare. The higher objectives of Islamic law are concerned with justice, human wellbeing, protection from harm and the responsible preservation of essential interests, including wealth. A systems-oriented understanding of Maqasid emphasises the purposes and interrelationships of social and legal arrangements rather than assessing outcomes through a single indicator (Auda, 2008). Chapra (2008) likewise argues that development should encompass human wellbeing and equity rather than economic growth alone.

This paper asks: How can Maqasid al-Shariah guide the evaluation and governance of mega-sporting events so that event-generated economic opportunities contribute to inclusive and sustainable SME development in Malaysia? It has three objectives: (1) to examine the relationship between mega-sporting events and SME economic opportunities; (2) to develop a Maqasid-oriented conceptual framework for evaluating the distribution, governance and sustainability of these opportunities; and (3) to formulate theoretical propositions and policy implications for future research and practice. Its contribution is conceptual: it translates normative Maqasid principles into measurable dimensions for event governance and SME outcomes, complementing conventional economic-impact approaches with questions of justice, accountability and public benefit (Dusuki & Abdullah, 2007; Desiana et al., 2026).

Context and Problem Statement

The reported RM345 million spillover

The reported RM345 million figure should be treated as a contextual claim made in a public news report, rather than as an independently verified empirical finding of this paper. Bernama (2026) attributed the estimate to the event's economic spillover for Malaysian MSMEs and highlighted the contribution of foreign visitors and tourism-facing sectors. The report is useful for identifying the policy issue, but a rigorous academic evaluation would require access to the underlying calculation, the sectors and firms included, the time period measured, the treatment of indirect and induced effects, and the counterfactual used to estimate additional activity.

This caution is consistent with sport-event scholarship. Economic-impact estimates can be sensitive to assumptions about visitor spending, substitution, displacement, leakage, public costs and activity that would have occurred without the event. Fourie and Santana-Gallego (2022) found that estimated tourism effects vary across event types and methods, while Boto-García and Santana-Gallego (2026) report that results depend on the event and the analytical design. A conceptual assessment grounded in Maqasid should therefore distinguish reported economic spillover from net additional value and from distributive or welfare outcomes.

Malaysian SMEs and the challenge of inclusive participation

SMEs are heterogeneous in size, resources and capacity. Malaysia's official definition uses sales turnover or full-time employment criteria, with separate thresholds for manufacturing and services and other sectors; eligibility and classification should therefore follow the current guidance issued by SME Corporation Malaysia (SME Corp. Malaysia, 2024). This heterogeneity is relevant to mega-events because a microenterprise selling food or merchandise may face different barriers from a medium-sized transport, accommodation or logistics company.

The policy challenge is not simply to maximise total procurement or visitor spending, but to ensure that qualified smaller businesses can access relevant opportunities on fair terms. OECD (2025), in its review of the Paris 2024 Olympic and Paralympic Games, identifies local employment, skills, SMEs, social inclusion, procurement and environmental issues as relevant dimensions of event legacy. This supports an approach in which SME participation is planned and monitored rather than assumed to occur automatically as a result of increased visitor numbers.

The research gap

Three gaps motivate the proposed framework. First, sport-event impact research often focuses on expenditure, tourism flows or macroeconomic indicators, while the distribution of benefits among different business types may receive less direct attention (Boto-García & Santana-Gallego, 2026; Rossini et al., 2025). Second, Maqasid al-Shariah scholarship provides a normative account of justice, welfare and responsible wealth management, but those principles require operational indicators when applied to a specific public-policy intervention (Auda, 2008; Chapra, 2008). Third, the link between event-generated opportunities and sustainable SME outcomes depends on governance and access to supply chains, making institutional conditions central rather than peripheral (Dusuki & Abdullah, 2007; OECD, 2025).

Recent work on MSME empowerment explicitly proposes integrating Maqasid principles with justice and sustainability, while empirical research in Indonesia reports a relationship between environmental, social and governance practices, Maqasid orientation and sustainable MSME performance (Desiana et al., 2026; Hidayat et al., 2026). The present paper extends this emerging discussion to the governance of mega-sporting events, treating the event as a temporary economic intervention whose value should be assessed through both business outcomes and broader public welfare.

Methodology

This paper adopts a conceptual research design based on integrative literature analysis and theory development. It draws on three related fields: (a) Maqasid al-Shariah and Islamic economic development; (b) the economic and social impacts of sporting events; and (c) SME development, governance and sustainability. Conceptual research is appropriate when the purpose is to clarify constructs, connect bodies of literature and develop propositions for future empirical investigation rather than report new primary data (Auda, 2008; Jaakkola, 2020).

The analysis proceeds in four stages. First, it identifies normative principles relevant to economic opportunity, wealth protection, justice, public welfare and prevention of harm. Second, it translates these principles into dimensions relevant to SME participation in event-related markets. Third, it specifies the proposed relationships among event-generated opportunities, inclusive supply-chain access, governance quality and sustainable SME outcomes. Fourth, it formulates propositions and possible indicators that can be tested in later research. The reported RM345 million estimate is used only as an illustrative context drawn from Bernama (2026); it is not treated as data generated or independently verified by this study.

The framework is not a fatwa or a claim that every proposed indicator is a direct legal requirement. Rather, it is an analytical application of Maqasid-oriented ethical principles to public economic policy. The distinction is important because translating general objectives into specific policies requires attention to context, evidence, trade-offs and possible unintended consequences (Auda, 2008; Dusuki & Abdullah, 2007).

Literature Review and Theoretical Foundations

Economic impacts of mega-sporting events

Sporting events may create direct expenditure by visitors and organisers, indirect effects through supplier purchases, and induced effects when employees and business owners spend income in the local economy. Nevertheless, the size and persistence of these effects are contingent rather than automatic. Fourie and Santana-Gallego (2022) found that more extensive data and improved methods reduced the average estimated tourism effect of mega-sport events, with positive effects concentrated in particular event types. Boto-García and Santana-Gallego (2026) similarly distinguish anticipatory and legacy effects and report that economic outcomes differ across events and indicators.

Evidence also suggests that gains may be geographically and sectorally uneven. Research using local business foot-traffic data in the United States found spillovers to nearby food and accommodation businesses around some sports facilities, while effects varied by sport and

venue (Abbiasov & Sedov, 2023). A 2026 study of the Santiago 2023 Pan American Games proposed an integrated model to assess economic, household and spatial effects, reporting heterogeneous impacts across sectors, income groups and municipalities (Gallegos-Meza et al., 2026). Such findings support the need to investigate which SMEs benefit, where gains occur and whether the benefits persist beyond the event.

The measurement of event impacts must also account for opportunity costs and public finance. Economic-impact estimates generally measure activity rather than necessarily measuring net social welfare; the latter requires consideration of public costs, alternative uses of resources and who ultimately bears costs and receives benefits. A conceptual analysis by Agha and Taks (2025) warns that overstated impact reports may encourage subsidies whose fiscal costs are borne by residents while private actors capture a disproportionate share of gains. This argument does not prove that every event produces a net loss, but it establishes why transparent methodology and distributional analysis are essential.

Maqasid al-Shariah and Development

Maqasid al-Shariah refers to the higher purposes and objectives of Islamic law. Classical formulations commonly identify the protection of religion, life, intellect, progeny and wealth among the essential objectives, while contemporary scholarship has developed systems-oriented approaches that emphasise justice, human rights, public benefit and the interdependence of legal and social institutions (Auda, 2008; Chapra, 2008). These objectives offer a normative basis for evaluating economic development beyond aggregate growth.

In development policy, the protection of wealth (hifz al-mal) can be interpreted to include lawful acquisition, security of property and contractual rights, and the productive use of resources. Yet wealth protection cannot be isolated from justice and welfare: an initiative that increases aggregate economic activity while systematically excluding smaller firms or imposing disproportionate costs on communities may fall short of a holistic assessment of public benefit (Chapra, 2008; Dusuki & Abdullah, 2007).

Maqasid analysis should therefore be treated as multidimensional. Auda (2008) argues for a systems approach in which the assessment of a legal or social arrangement considers its broader purpose and interactions. Applied to mega-events, this means examining not only whether sales increase, but also how opportunities are allocated, whether transactions are fair, whether workers and consumers are protected, and whether economic gains are compatible with environmental and community wellbeing.

Wealth Circulation, Justice and Public Welfare

The Qur'anic principle that wealth should not circulate exclusively among the wealthy is expressed in the context of the distribution of fay' (Qur'an 59:7). While this verse should not be directly equated with event-related expenditure, its distributive emphasis provides a relevant ethical lens for considering whether economic opportunities remain concentrated among a narrow group or become accessible to a wider range of legitimate participants. The normative application here is analogical and does not claim that a sporting event is legally equivalent to the context of the verse.

Justice (al-'adl) in the SME context concerns transparent access to procurement, fair qualification requirements, reasonable contract terms and non-discriminatory treatment. It does not imply that every business must receive an equal amount of revenue; rather, it asks whether opportunities are allocated under fair rules and whether avoidable barriers systematically exclude smaller firms. Dusuki and Abdullah (2007) show how Maqasid and maslahah can inform corporate social responsibility and stakeholder trade-offs, providing a useful foundation for applying justice and public welfare to event organisers and major suppliers.

Maslahah, or public benefit, requires attention to both benefits and harms. The Qur'an commands justice and excellence (Qur'an 16:90), while the Qur'anic prohibition of consuming wealth unjustly and the requirement of mutually acceptable trade (Qur'an 4:29) are relevant to ethical supplier relationships. In a policy context, these principles can inform transparent procurement, honest marketing, fair payment and accessible grievance mechanisms, while the precise application of Islamic legal principles should remain grounded in qualified scholarship and the details of the relevant transaction.

Human Capabilities, Social Wellbeing and Environmental Responsibility

SME participation can generate benefits beyond immediate revenue when it develops workers' skills, improves digital capability, supports safer employment and builds durable business networks. These outcomes relate to the protection of life and intellect and to a broader conception of human development (Chapra, 2008). OECD (2025) similarly identifies skills, employment, inclusion, SMEs and the environment as relevant dimensions of sporting-event legacy.

Environmental responsibility is not always listed as a separate classical necessity in the five-objective formulation, but contemporary Maqasid-oriented reasoning can address environmental stewardship through public welfare, the prevention of harm and the protection of future generations. Large events may increase transport demand, energy use, waste and pressure on local services. A holistic assessment should therefore consider environmental costs alongside economic gains rather than assuming that any increase in spending necessarily advances welfare (OECD, 2025; Gallegos-Meza et al., 2026).

Governance as the Connecting Mechanism

Normative principles cannot reliably produce practical outcomes without institutions that translate them into procedures, incentives and accountability. In event-related markets, governance includes supplier registration, tender transparency, contract design, payment standards, consumer protection, labour requirements and reporting. OECD (2025) documents the relevance of procurement, local employment, skills and environmental planning to event legacy, while Dusuki and Abdullah (2007) emphasise that Maqasid-based responsibility must be operationalised in real organisational decisions.

Recent empirical work on Indonesian MSMEs reports positive relationships between environmental, social and governance practices, Maqasid al-Shariah orientation and sustainable MSME performance (Hidayat et al., 2026). A recent integrative framework also places justice and sustainability at the centre of MSME empowerment through Maqasid principles (Desiana et al., 2026). These studies support the conceptual proposition that

governance and ethical practices can connect commercial opportunity with durable and socially beneficial outcomes, although the relationships must be tested specifically in the mega-event setting.

Proposed Conceptual Framework: MOISD-MSE

This paper proposes the Maqasid-Oriented Inclusive SME Development Framework for Mega-Sporting Events (MOISD-MSE). It conceptualises event-generated economic opportunities as the starting point of a development process rather than the final measure of success. The framework combines sport-event impact research, which stresses heterogeneous and method-sensitive outcomes, with Maqasid scholarship, which emphasises multidimensional public welfare and ethical governance (Auda, 2008; Boto-García & Santana-Gallego, 2026; Chapra, 2008).

Core Constructs

Event-generated economic opportunities (independent construct): demand from visitors and organisers, procurement opportunities, local supplier demand, tourism expenditure and access to new markets (Bernama, 2026; OECD, 2025).

Inclusive supply-chain participation (enabling condition): the extent to which micro, small and medium-sized firms can access supplier registration, procurement information, commercial spaces and partnerships on reasonable terms (OECD, 2025; SME Corp. Malaysia, 2024).

Institutional and ethical governance (enabling condition): transparency, fair contracting, timely payments, accountability, consumer protection and accessible dispute resolution (Dusuki & Abdullah, 2007; Hidayat et al., 2026).

Maqasid-oriented outcomes: wealth protection and productive development; distributive justice; human and community wellbeing; and environmental responsibility (Auda, 2008; Chapra, 2008; Desiana et al., 2026).

Sustainable SME development (final outcome): improved resilience, retained customers, capability growth, repeat contracts, productive investment and stronger post-event performance (OECD, 2025; Preuss, 2005).

Framework Logic

The proposed model suggests that event-generated opportunities can improve SME outcomes when firms have practical access to supply chains and when governance protects the value they create. Inclusive participation and institutional quality are expected to strengthen the relationship between opportunity and sustainable performance. By contrast, high operating costs, exclusionary procurement, payment delays, displacement of ordinary customers and environmental or social harms may weaken or offset positive effects (Agha & Taks, 2025; Fourie & Santana-Gallego, 2022; OECD, 2025).

The framework distinguishes four stages: (1) event inputs and market opportunities; (2) access and governance processes; (3) business-level and community outcomes; and (4) longer-term SME sustainability and public welfare. This staged logic avoids treating a gross-spending estimate as a sufficient measure of success and makes the assumptions connecting event activity to long-term outcomes explicit (Auda, 2008; Boto-García & Santana-Gallego, 2026).

Theoretical Contribution and Boundary Conditions

The framework's theoretical contribution is a three-layer explanation of how Maqasid-oriented objectives can inform the governance of temporary economic interventions. The normative layer specifies what counts as a desirable outcome: lawful wealth creation, distributive justice, protection from harm, human capability and public welfare. The conversion layer identifies the institutional mechanisms through which temporary demand may become durable SME benefit: accessible supply-chain entry, fair contracting, capability development and accountable coordination. The outcome layer distinguishes immediate sales from net business earnings, capability gains, repeat market access and wider social or environmental effects. This structure connects normative evaluation with an explanatory account of how outcomes are produced, rather than treating Maqasid as a checklist applied after the event.

The contribution is deliberately bounded. The paper does not claim that the five objectives of Maqasid generate a unique or universally fixed set of indicators, nor that a high score on one dimension compensates automatically for serious harm in another. Instead, it proposes a transparent, context-sensitive assessment architecture. This is distinct from broader Maqasid-oriented MSME empowerment models, which address enterprise development generally, because the present framework focuses on the temporal and institutional characteristics of event-related markets: a concentrated demand shock, temporary vendor access, procurement chains and the need to assess whether benefits persist after the event (Desiana et al., 2026; Hidayat et al., 2026).

The framework also specifies boundary conditions. Event demand is more likely to contribute to sustainable SME outcomes when procurement is accessible, contract and payment terms are fair, firms have sufficient readiness, and public reporting distinguishes gross activity from net additional value. Benefits may be weakened by displacement, imported inputs, high participation costs, poor payment practices, environmental damage or public expenditure that exceeds defensible social returns. These conditions make the propositions empirically falsifiable: an event may attract visitors and generate sales without producing inclusive or lasting development.

Theoretical Propositions

Proposition 1: Event-generated opportunities and SME empowerment

Greater access to event-generated demand is expected to be positively associated with SME economic empowerment, provided that firms can convert temporary expenditure into retained income, repeat customers or new commercial relationships. This proposition reflects the potential of visitor spending to support local services while recognising that the economic effect of sporting events is heterogeneous and dependent on event and market conditions (Abbiasov & Sedov, 2023; Bernama, 2026; Fourie & Santana-Gallego, 2022).

Proposition 2: Inclusive supply-chain participation and distributive justice

Inclusive access to procurement, supplier networks and visitor-facing markets is expected to strengthen the relationship between event-generated opportunities and the distribution of benefits among local SMEs. This proposition follows from the Maqasid concern with justice and the need to consider who receives benefits rather than only how much aggregate activity occurs (Chapra, 2008; Dusuki & Abdullah, 2007; OECD, 2025).

Proposition 3: Ethical governance and protection of wealth

Transparent procurement, fair contractual arrangements and timely payment are expected to strengthen the relationship between SME participation and sustainable financial outcomes. The proposition operationalises *hifz al-mal* in terms of business assets, lawful earnings and protection against avoidable commercial harm, consistent with Maqasid-based corporate responsibility (Auda, 2008; Dusuki & Abdullah, 2007).

Proposition 4: Capability development and long-term resilience

Training, digital capability development and network formation are expected to increase the likelihood that SMEs retain benefits beyond the event period through improved productivity, repeat business and new market access. The proposition reflects the distinction between short-term expenditure and longer-term legacy, as well as the role of skills and SME development in event-related policy (OECD, 2025; Preuss, 2005).

Proposition 5: Multidimensional Maqasid performance and public welfare

The contribution of a mega-sporting event to public welfare is more comprehensively assessed when economic empowerment is evaluated together with distributive justice, ethical governance, human wellbeing and environmental responsibility. This proposition follows from a systems-oriented understanding of Maqasid and the need for integrated assessments of sporting-event impacts (Auda, 2008; Chapra, 2008; Gallegos-Meza et al., 2026).

Proposition 6: Costs and harms as limiting conditions

The positive relationship between event-generated opportunities and sustainable SME development is expected to weaken when excessive business costs, displacement of ordinary economic activity, exclusionary practices, public fiscal burdens or environmental and social harms offset the benefits. This proposition recognises that economic-impact estimates do not automatically establish net welfare and that the distribution of benefits and costs must be examined explicitly (Agha & Taks, 2025; Fourie & Santana-Gallego, 2022; OECD, 2025).

Discussion*From Headline Spillover to Meaningful Business Outcomes*

The reported RM345 million figure draws attention to the potential scale of event-related economic activity, but a Maqasid-oriented evaluation asks what the figure means for actual firms and communities. Revenue, gross expenditure, profit, value added and net additional economic impact are different concepts and should not be used interchangeably. An SME may record more sales but also incur higher costs; a region may record visitor spending that partly substitutes for spending that would otherwise have occurred elsewhere in the country. Rigorous evaluation therefore requires a clear definition of the impact measure and a transparent counterfactual (Bernama, 2026; Boto-García & Santana-Gallego, 2026; Fourie & Santana-Gallego, 2022).

A future Malaysian assessment could report both aggregate estimates and firm-level distributions. Relevant indicators would include the number of participating SMEs, sector and size distribution, contract values, gross revenue, net profit where available, payment times, employment, repeat business and post-event survival. Where feasible, participating firms could be compared with similar non-participating firms or with their own performance in

comparable periods, while accounting for broader economic conditions. Such design choices would help separate event-associated changes from causal effects (Boto-García & Santana-Gallego, 2026; OECD, 2025).

Wealth Circulation and Local Supplier Access

The concept of wealth circulation directs attention to whether event opportunities are open to a broad range of local enterprises. A local procurement programme could publish tenders in advance, simplify registration where appropriate, provide clear standards and offer supplier briefings to help microenterprises understand requirements. Where legally and commercially feasible, event organisers could track the share and value of procurement awarded to local SMEs and publish the results. These measures should be designed to preserve quality, safety, competition and value for money rather than create arbitrary preferences (Chapra, 2008; OECD, 2025; SME Corp. Malaysia, 2024).

Cooperatives, business associations and local supplier networks may help smaller firms aggregate capacity, coordinate logistics and meet quality requirements that are difficult to satisfy individually. Such arrangements could widen participation without requiring every microenterprise to bear the full cost of entering a major event supply chain alone. The proposal is consistent with the broader Maqasid emphasis on justice and collective welfare, although its effectiveness should be evaluated rather than assumed (Desiana et al., 2026; Dusuki & Abdullah, 2007).

Ethical Contracting and Protection from Harm

The protection of wealth is relevant not only to the opportunity to earn income but also to the conditions under which income is earned. Unclear terms, unilateral changes, delayed payments and inaccessible complaint mechanisms can impose disproportionate risks on SMEs with limited working capital. Event organisers and lead contractors could use clear supplier agreements, written payment schedules, transparent selection criteria and practical dispute-resolution procedures. These practices translate broad ethical commitments into observable governance arrangements (Dusuki & Abdullah, 2007; Hidayat et al., 2026).

The Qur'anic emphasis on mutually acceptable trade and the prohibition of unjust consumption of wealth provides a normative basis for ethical commercial relationships (Qur'an 4:29). In this paper, the verse is used as a general ethical principle rather than as a substitute for detailed legal analysis of any specific contract. Governance mechanisms should be designed in consultation with relevant legal, procurement and Shariah experts, particularly where public funds, complex contracts or regulated financial products are involved.

Building a Post-Event Legacy

A temporary event can be used as a platform for capability development if SME support begins before the event and continues afterwards. Possible interventions include digital payment adoption, customer-service training, multilingual communication, food-safety compliance, digital marketing and mentoring on repeat tourism markets. OECD (2025) identifies skills, local employment, SME inclusion and environmental practice as relevant event-legacy dimensions, while Preuss (2005) highlights the importance of examining economic effects beyond the immediate event.

A post-event programme should not presume that every participant will benefit equally or that all businesses need the same intervention. Firms could be grouped according to their sector, size, readiness and constraints, with follow-up support focused on evidence of need. Evaluation could examine whether participants secure repeat contracts, retain customers, improve productivity or strengthen financial resilience six and twelve months after the event. Such indicators would help determine whether the event produced durable business development rather than a temporary sales peak (OECD, 2025; Rossini et al., 2025).

Public Welfare, Environmental Responsibility and Fiscal Transparency

A comprehensive Maqasid evaluation must consider who bears the costs of hosting an event. Public expenditure on transport, security, infrastructure and event support should be reported alongside relevant economic outcomes, while environmental and community effects should be measured where feasible. This is not an argument against hosting international sporting events; rather, it is a call for transparent decision-making that compares expected benefits with costs and considers alternative uses of public resources (Agha & Taks, 2025; Madden, 2025; OECD, 2025).

Environmental indicators may include waste generation and recovery, public transport use, energy and water efficiency, and supplier compliance with practical sustainability requirements. Social indicators may include job quality, worker safety, consumer complaints and effects on residents. These dimensions should be proportionate to the scale of the event and measured transparently. An integrated approach is consistent with contemporary calls to assess economic, social and environmental impacts together rather than in isolation (OECD, 2025; Gallegos-Meza et al., 2026).

Policy Implications

Develop a Maqasid-Oriented Event Evaluation Scorecard

Relevant Malaysian agencies, including SME Corp. Malaysia and the Ministry of Entrepreneur Development and Cooperatives, could collaborate with event organisers, local authorities, tourism operators and research institutions to develop a scorecard covering economic, distributive, governance, social and environmental outcomes. The scorecard should clearly distinguish estimated gross spillover from net additional value, SME-level performance and wider public costs. This approach would align the measurement of event legacy with the multidimensional nature of Maqasid and contemporary event-evaluation practice (Auda, 2008; OECD, 2025).

Strengthen local SME Procurement

Organisers and principal contractors could publish procurement opportunities in advance, maintain accessible supplier registries, explain qualification criteria and conduct supplier briefings. They could also record how many local SMEs participate, the value and type of contracts awarded, and whether firms of different sizes gain access. Any local-participation targets should be consistent with procurement law, safety standards and value-for-money requirements (OECD, 2025; SME Corp. Malaysia, 2024).

Support Microenterprises and Cooperative Participation

Microenterprises may face barriers involving working capital, equipment, temporary premises, licences, staffing and compliance. Tailored training, shared facilities, cooperative

purchasing and supplier-readiness programmes could help reduce such barriers. Any financing support should be transparent, affordable and appropriately structured, with Shariah compliance assessed where relevant rather than presumed solely because a programme is intended for Muslim entrepreneurs (Chapra, 2008; Desiana et al., 2026).

Establish Ethical Supplier Standards

A standard supplier code could address transparent selection, accurate product information, fair contractual terms, timely payments, workplace safety, consumer protection and accessible complaints procedures. Monitoring should be proportionate to supplier size so that standards protect participants without unintentionally excluding microenterprises that lack extensive administrative capacity. This policy would operationalise the relationship between ethical governance, wealth protection and stakeholder responsibility (Dusuki & Abdullah, 2007; Hidayat et al., 2026).

Monitor Outcomes after the Event

A post-event study should gather baseline information where possible and follow participating firms after the event. Measures could include revenue, profit, operating costs, employment, customer retention, repeat contracts, digital adoption and business survival. A comparison group or a suitable quasi-experimental design would strengthen causal interpretation, while interviews could explain how procurement rules, location and business capacity shaped outcomes (Boto-García & Santana-Gallego, 2026; OECD, 2025).

Integrate Environmental and Community Safeguards

Event plans should include practical environmental standards for waste, packaging, transport and resource use, alongside measures for worker safety and community access. Smaller suppliers should receive guidance and proportionate support to meet requirements. Reporting both economic benefits and social or environmental costs would help policymakers assess whether the event advances public welfare in a balanced manner (OECD, 2025; Gallegos-Meza et al., 2026).

Research Agenda and Measurement

The framework can be examined through quantitative, qualitative or mixed-methods research. A quantitative study could survey participating SMEs and test whether event opportunity, inclusive access and governance quality predict economic resilience and post-event performance. PLS-SEM may be useful for exploratory model testing where constructs are measured through multi-item scales, but researchers should justify the method against the research objective, measurement model and sample characteristics. Cross-sectional self-reports alone would not establish causal impact and should, where possible, be supplemented by business records or longitudinal data (Boto-García & Santana-Gallego, 2026; Hidayat et al., 2026).

Qualitative interviews with SME owners, procurement officers, event organisers and public agencies could examine barriers that numerical indicators may not reveal, including informal supplier networks, risk allocation, late payments and the practical costs of event participation. A mixed-methods design could combine these perspectives with procurement data, visitor expenditure data and repeated business surveys. This would help test the framework's

assumptions and distinguish the normative desirability of inclusive outcomes from evidence about which interventions actually achieve them (Jaakkola, 2020; OECD, 2025).

Table 1

Proposed constructs and indicators

Construct	Illustrative indicators	Maqasid / theoretical relevance
Event-generated opportunity	Visitor demand; procurement access; new customers; event-related sales	Economic opportunity; contextual input
SME empowerment	Revenue, net profit, cash flow, reinvestment, business resilience	Hifz al-mal; productive wealth
Inclusive participation	Supplier registration; contract access; participation by size/sector; local procurement	Justice; wealth circulation
Ethical governance	Payment timeliness; contract clarity; transparency; complaint resolution	Protection of wealth; prevention of harm
Human and social wellbeing	Employment quality; training; safety; consumer and community outcomes	Hifz al-nafs; hifz al-'aql; maslahah
Environmental responsibility	Waste reduction; resource efficiency; sustainable transport and procurement	Public welfare; prevention of harm
Sustainable SME outcome	Repeat customers; post-event contracts; business survival; capability growth	Long-term maslahah and resilience

Limitations

This paper is conceptual and does not independently verify the RM345 million spillover estimate, conduct a cost-benefit analysis or collect primary data from SMEs. The reported figure is taken from Bernama (2026), and the underlying calculation was not available for independent assessment in the sources reviewed. The framework's propositions therefore require empirical validation before they can be treated as established relationships. Moreover, Maqasid principles are normative and require careful contextual interpretation; the proposed indicators are analytical operationalisations, not exhaustive definitions of the objectives of Shariah (Auda, 2008; Bernama, 2026; Chapra, 2008).

The framework is also context-sensitive. A Formula 1 event may have different supply-chain structures, visitor patterns and public costs from a football tournament, cultural festival or national sporting competition. Future studies should adapt the indicators to the event type and Malaysian institutional context, and should report measurement assumptions transparently to avoid treating different forms of economic impact as interchangeable (Boto-García & Santana-Gallego, 2026; Fourie & Santana-Gallego, 2022).

Conclusion

The reported RM345 million economic spillover associated with the 2026 event described by Bernama as the Bahrain Gulf Air Formula 1 Grand Prix at Sepang provides a timely case for

examining how mega-sporting events may create opportunities for Malaysian SMEs. The reported attendance and tourism-spending indicators suggest a substantial market opportunity, particularly in hospitality, food and beverage, retail, transport and tourism-related services (Bernama, 2026). However, the economic significance of the event cannot be determined from a headline figure alone; the distribution, additionality, costs and persistence of benefits require further evidence (Boto-García & Santana-Gallego, 2026; Fourie & Santana-Gallego, 2022).

This paper has proposed the Maqasid-Oriented Inclusive SME Development Framework for Mega-Sporting Events (MOISD-MSE), which connects event-generated opportunities to SME outcomes through inclusive supply-chain participation and institutional governance. Its five dimensions—wealth protection and productive development, distributive justice, ethical governance, human and community wellbeing, and environmental responsibility—extend the assessment of event performance beyond gross economic activity towards a more comprehensive view of public welfare (Auda, 2008; Chapra, 2008; Dusuki & Abdullah, 2007). The framework's central argument is that event-generated opportunities are more likely to produce sustainable public value when smaller firms can participate fairly, commercial relationships are transparent, and temporary demand is converted into lasting capabilities. Future empirical research should test the propositions through firm-level data, longitudinal follow-up and transparent impact evaluation. Ultimately, a Maqasid-oriented approach encourages policymakers to ask not only how much economic activity an event generates, but also who benefits, how benefits are secured, what harms may arise and whether the resulting development is equitable and sustainable (Desiana et al., 2026; Hidayat et al., 2026; OECD, 2025).

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