ELEVATING MALAYSIA'S STATUS

NST 13/1

Among the recommendations is addressing impediments to growth and innovation

FARAH ADILLA
KUALA LUMPUR
farah.adilla@mediaprima.com.my

THE Islamic Fund and Wealth Management Blueprint contains 11 recommendations to establish Malaysia as a leading international centre for Islamic fund and wealth management.

The recommendations are focused on addressing impediments to growth and innovation, identifying potential opportunities for collaboration and partnership as well as accelerating the process of building scale.

One area of significant potential is the development of waqaf, an Islamic philanthropic-based vehicle for social development, public good and wealth distribution.

Pioneering efforts have begun with the Labuan International Waqf Foundation framework to support the distribution aspects of Islamic wealth management.

The Securities Commission Malaysia (SC) said there would be efforts to increase the level of sustainable waqaf assets, through fund management or capital raising, in sectors such as healthcare, education and community development.

Second Finance Minister Datuk Johari Abdul Ghani (right) launching the Islamic Fund and Wealth Management Blueprint at the International Fund Forum 2017 yesterday. With him are Securities Commission Malaysia (SC) chairman Tan Sri Ranjit Ajit Singh (centre) and SC development and Islamic markets managing director Zainal Izlan Zainal Abidin. PIC BY SAIRIEN NAFIS

It said this would become an integral component of the Islamic wealth management value chain.

There are also opportunities to leverage the competitive strengths in operational, tax and human capital infrastructure to attract more international fund administration service providers to establish their regional and international base in Malaysia.

"At the same time, further development of domestic firms operating in this market segment will be facilitated," it said.

SC said intermediaries and service providers in new areas within the industry's value chain, such as technopreneurs, would also be encouraged to set up operations in the country in order to ensure a comprehensive ecosystem.

The blueprint charts the medium and long-term strategic direction for Malaysia's Islamic fund and wealth management industry to create a conducive ecosystem that meets the growing needs of the global market.

PAGE 1 PIC: Second Finance Minister Datuk Johari Abdul Ghani (centre) with (from left) Bank Negara Malaysia governor Datuk Muhammad Ibrahim, Securities Commission Malaysia (SC) chairman Tan Sri Ranjit Ajit Singh, Deputy Finance Minister Datuk Lee Chee Leong and SC development and Islamic markets managing director Zainal Izlan Zainal Abidin at the launch of the Islamic Fund and Wealth Management Blueprint in Kuala Lumpur yesterday. BERNAMA PIC

Proposals

1. **Provide** enabling frameworks to support innovation in Islamic markets
2. **Enhance** market access and international connectivity
3. **Develop** a vibrant ecosystem to accelerate growth of syariah-compliant sustainable and responsible investment
4. **Promote** the growth of private equity
5. **Facilitate** new digital business models, products and services for Islamic fund and wealth management
6. **Advance** Malaysia's positioning as a hub for investment support service
7. **Spur** institutional participation in Islamic fund
8. **Develop** facilitative market infrastructure for Islamic wealth management
9. **Strengthen** intermediation capabilities to support greater internationalisation
10. **Fortify** talent pipeline for Islamic wealth management
11. **Provide** targeted incentives to strengthen international competitiveness