

MY JOURNEY

Zainal Izlan Zainal Abidin



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MY JOURNEY



Zainal Izlan Zainal Abidin

Dear DCE,

This collection of best images from our archive attempts to chronicle your extraordinary journey with the Securities Commission Malaysia (SC), your “adopted home” from 2011 to 2023, and the many pleasant memories that you have made.

The 12 years at No 3 Persiaran Bukit Kiara must be a challenging but exciting tour of duty for you which this book tried to capture and do justice. But no words would adequately describe your tremendous work and contribution in making this respected institution into what it is today.

This book is about honouring your achievements, which undoubtedly have inspired us a lot and would be continued in the future with us. You certainly made a lasting mark, not just about your leadership of the Islamic capital market but also in the areas of sustainability and the ASEAN regional grouping.

While your presence will be missed, be assured that you will not be forgotten. Thank you for being such an important part of the SC team these past 12 years. We couldn’t have accomplished what we did without you.

Warm regards,
EDITOR



“You are not here merely to make a living. You are here in order to enrich the world, enable the world to live more amply, with greater vision, with a finer spirit of hope and achievement.”

~ Woodrow Wilson

SC-OCIS Roundtable 2022

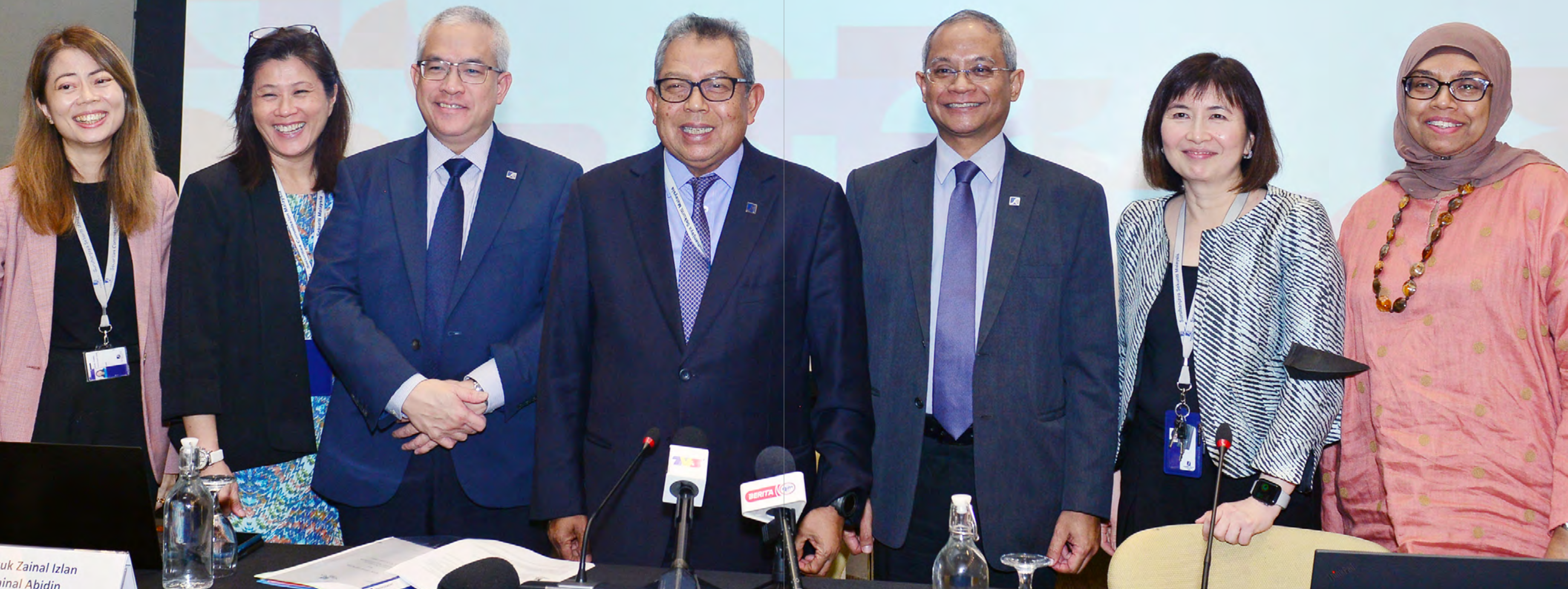
Oxford | September 2022



Suruhanjaya Sekuriti
Securities Commission
Malaysia

SC News Conference

31 October 2022



uk Zainal Izlan
inal Abidin
y Chief Executive

Dato' Seri Dr. Awang
Adek Hussin
Chairman

SC News Conference

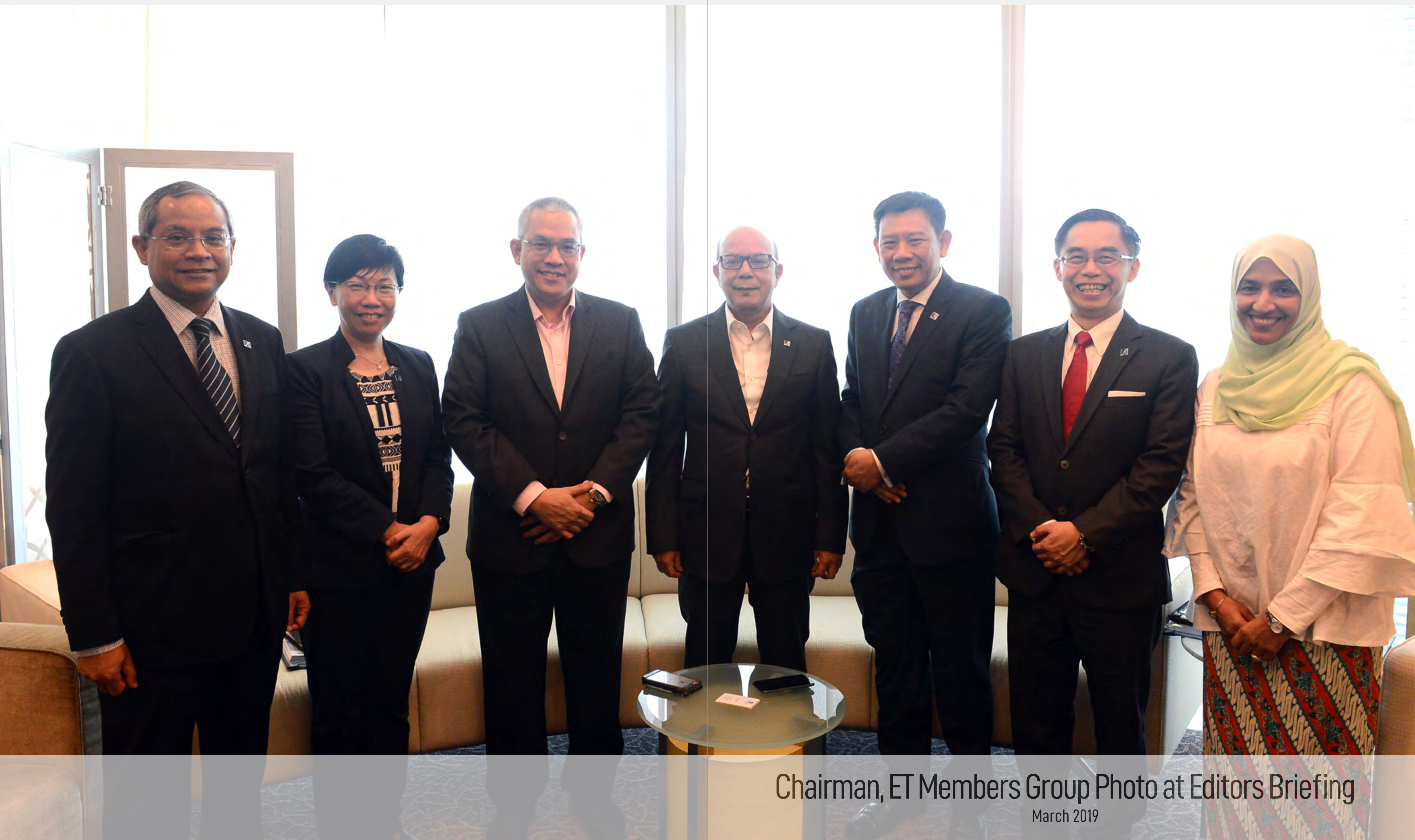
October 2022

Kamarudin Hashim
Executive Director
Market & Corporate Supervision



SC Annual Report 2018 Release

March 2019



Chairman, ET Members Group Photo at Editors Briefing
March 2019



Suruhanjaya Sekuriti
Securities Commission
Malaysia



Annual Report 2017

15 March 2018



Eugene Wong
Managing Director
Corporate Finance & Investment

Dato' Ahmad Fairuz Zainol Abidin
Deputy Chief Executive

Tan Sri Dato' Seri Ranjit Ajit Singh
Chairman

Datuk Zainal Izlan Zainal Abidin
Managing Director
Development & Islamic Markets



SC Annual Report 2017 Release
March 2018

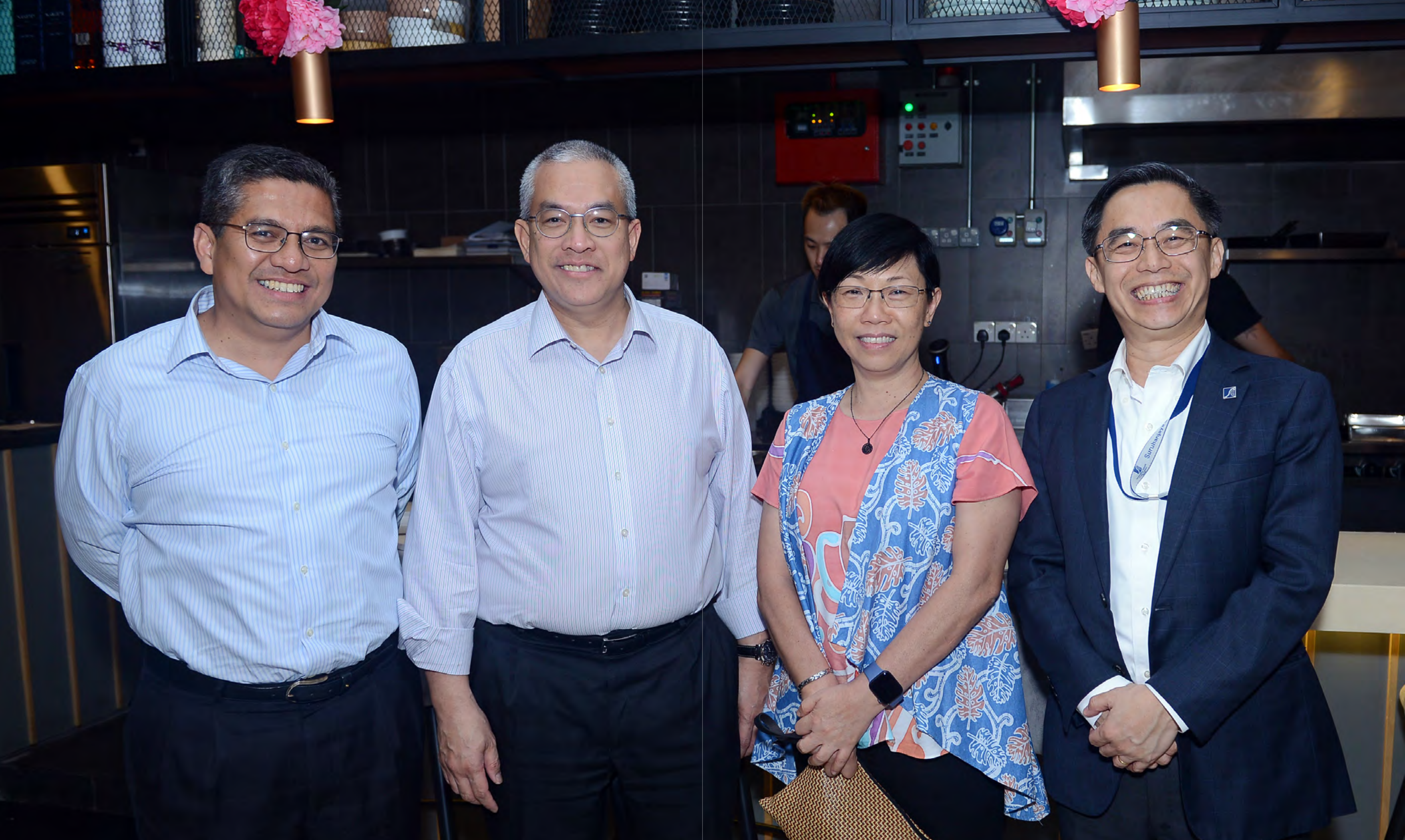


SC Annual Report 2014 Release

March 2015



SC Annual Report 2012 Release
March 2013



Eugene Wong Farewell Dinner
January 2020



Tan Sri Zarinah Anwar Appreciation Dinner

April 2012

APPOINTMENT

Zainal Izlan is new deputy CEO of SC

KUALA LUMPUR: Prime Minister Datuk Seri Najib Razak, in his capacity as Finance Minister, has appointed Datuk Zainal Izlan Zainal Abidin as the new deputy chief executive of the Securities Commission (SC), effective yesterday.

Zainal Izlan replaces Datuk Ahmad Fairuz Zainol Abidin, who completed his contract on March 31.

Zainal Izlan joined the SC in January 2011 as executive director of Islamic Capital Market and he was appointed as managing director of development and Islamic markets in November 2016.

He is also chairman of Capital Markets Malaysia, an entity established by the SC to promote

the local capital market.

Zainal Izlan, 50, holds a bachelor of science in Economics (dual concentration in Accounting and Finance) from The Wharton School, University of Pennsylvania, the United States, and is also a Chartered Financial Analyst charterholder.

He has more than 25 years of experience in the financial services industry.

Zainal Izlan began his career with Citibank before joining MIDF Amanah Asset Management.

Just before joining the SC, Zainal Izlan was chief executive officer of i-VCAP Management.

i-VCAP is an Islamic fund management firm based here.



Datuk Zainal Izlan Zainal Abidin

PROJEK PPP

Kerajaan laksana tender terbuka
Ms.23



Kerajaan laksana projek PPP menerusi tender terbuka

➔ Hanya kontraktor beri hasil terbaik dipilih pastikan pembangunan lancar

Oleh Ooi Tee Ching
bhbiz@nstp.com.my



Guan Eng bersama Pengerusi Suruhanjaya Sekuriti Malaysia, Tan Sri Ranjit Ajit Singh (dua dari kanan) dan Pengerusi ICDM, Tan Sri Zarinah Anwar (kiri) pada majlis pelancaran Institut Pengarah Korporat Malaysia (ICDM) di Kuala Lumpur, semalam.

Kerajaan akan melaksanakan projek kerjasama awam-swasta (PPP) baharu dan 'bersih' menerusi tender terbuka, kata Menteri Kewangan, Lim Guan Eng.

Guan Eng berkata, menerusi tender terbuka dapat memastikan semua projek kerajaan dapat diberikan kepada kontraktor yang mampu memberikan hasil dan nilai wang yang terbaik.

"Ini adalah salah satu alternatif yang digunakan Kementerian saya untuk memastikan projek akan dilaksanakan dan bukan mengambil pendekatan ekstrem untuk membatalkan projek itu sama sekali.

"Model baharu ini, adalah satu model 'bersih' (telus)," katanya yang turut menjelaskan tender PPP bermanfaat kepada orang

ramai kerana projek berkenaan akan dibina dengan nilai harga terbaik dan kerajaan tidak akan berhutang.

Beliau berkata demikian kepada pemberita selepas melan- carkan Institut Pengarah Korporat Malaysia (ICDM) di Kuala Lumpur, semalam.

Galak kecemerlangan

ICDM adalah badan yang ditubuhkan SC untuk memper- tingkatkan profesionalisme dan keberkesanan pengarah korporat di negara ini, bertujuan mengga- lakkan kecemerlangan, integriti dan tahap kemahiran paling tinggi serta kecekapan profesio- nal.

Sebagai contoh, beliau berka- ta, selama 10 tahun sebagai Ketua

Menteri Pulau Pinang, bajet tahu- nan Pulau Pinang mengekalkan lebih belanjawan.

"Rizab tahunan kerajaan negeri juga meningkat dua kali ganda daripada 100 peratus dan hutang dapat dikurangkan seba- nyak 90 peratus.

"Menerusi tender terbuka baharu PPP ini, ia menunjukkan komitmen kerajaan untuk lebih telus dan akauntabiliti selain mencari nilai terbaik dalam usaha yang dilaksanakan kerajaan.

Katanya, pentadbiran kerajaan dahulu lebih mengecewakan kerana mereka menggunakan 'helah' kewangan di luar bajet bagi menyembunyikan perbelan- jaan kerajaan sebenar.

"Menerusi tinjauan pasukan saya di Kementerian Kewangan

baru-baru ini, 14 daripada 17 projek PPP yang diluluskan pen- tadbiran sebelum ini dibuat tanpa menjalani proses tender terbuka.

"Kebanyakan daripada 17 projek itu adalah projek per- tukaran tanah. Ia bermakna, kontraktor terbahit yang melaksanakan projek sepe- rti membina rumah baharu, sekolah, balai polis dan kem tentera hanya mendapatkan tanah kerajaan sebagai balasan, bukannya ia dibayar secara tunai," katanya.

Menurut Guan Eng, menerusi rundingan secara langsung itu, nilai sebenar tanah kerajaan selalu adalah lebih rendah (di bawah nilai pasaran), manaka- la kos projek awam berkenaan adalah terlalu mahal.



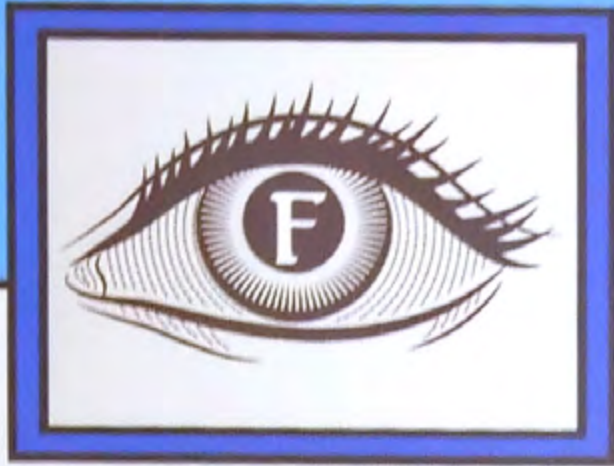
SC Townhall
June 2022



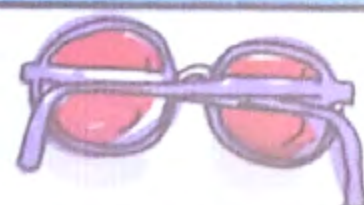
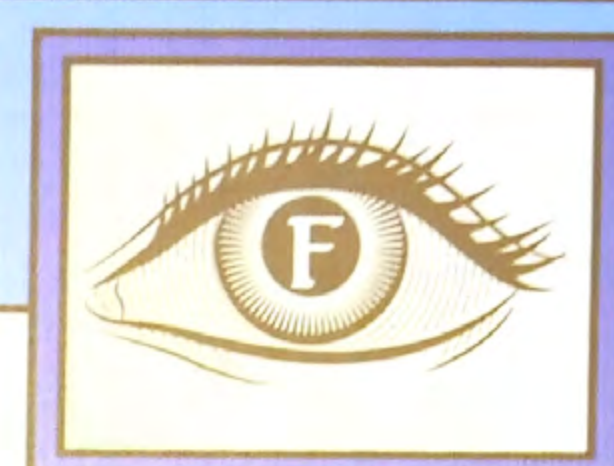
KSRSS Annual Dinner 2019

November 2019





FEDERAL OPTICAL CO.
SYARIKAT KACHAMATA FEDERAL



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Quality Glasses with warranty from England
கண்காட்சிகள் உத்தரவு இங்கிலாந்து
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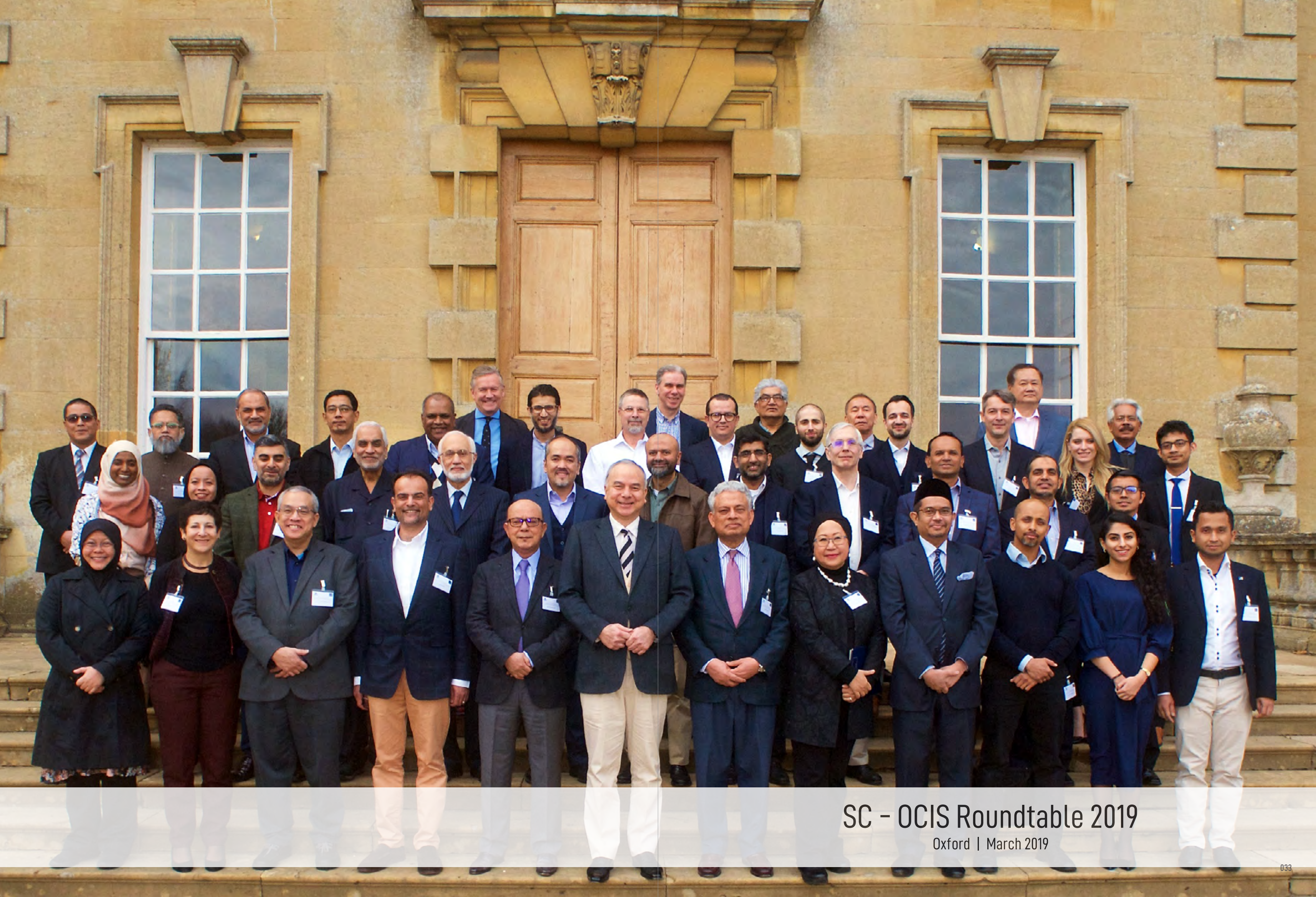


FEDERAL OPTICAL CO.



Cyber Simulation 2019

August 2019



SC – OCIS Roundtable 2019

Oxford | March 2019



With SC Scholars in United Kingdom, 2019

March 2019



Suruhanjaya Sekuriti
Securities Commission
Malaysia

invest
smart
A Securities Commission Malaysia Initiative



SCAMBUSTER
#RunFromScams RUN 2018

START/FINISH

6 KM

4 KM



Scambuster Run 2018

October 2018



INVESTMENT ROADMAP SUSTAINABLE FINANCIAL MARKET



Launch of the SRI Roadmap

November 2019

LAUNCH OF THE INSTITUTE OF CORPORATE DIRECTORS MALAYSIA

October 2018 | Securities Commission Malaysia

www.icdm.com.my

Launch of the Institute of Corporate Directors Malaysia

October 2018



Merdeka Talk with Datuk Dr Mazlan Othman

August 2018



Sustainable Capitalism Forum
July 2018



Hari Raya 2018
July 2018



SC-World Bank-IOSCO Asia Pacific Hub Conference
May 2018



Interview with The Asset
April 2018



Self portrait during SC 25th Anniversary

April 2018



Malaysia-Singapore Connect Steering Co Meeting

April 2018



Launch of Teratai Cafe during
SC 25th Anniversary Celebration

March 2018



World Capital Markets Symposium 2018
February 2018



International Fund Forum 2017
January 2017







Capaian Program "Bersama
SC & InvestSmart" 2011 - 2016 (April)

MSAM 2016 – Royal Visit by DYMM Sultan Nazrin Shah
Tapah, Perak | April 2016



Briefing Editors on SC Annual Report 2014

March 2015



World Islamic Economic Forum 2014

October 2014



KUALA LUMPUR ISLAMIC FINANCE FORUM

Hotel Istana Kuala Lumpur

Positioning for Sustainable Globalised Market

PLA PARTNER

CIMB ISLAMIC

PLA PARTNER



PLA PARTNER



SME BANK



Kuala Lumpur Islamic Finance Forum 2014

September 2014

11 - 12 NOV

5th International Islamic Capital Market Forum

Risk Sharing: A Way Forward to Public Good

10 November 2011
Lanai Kijang
Kuala Lumpur





Opening Ceremony MIHAS 2011
Kuala Lumpur Convention Centre | April 2011



COP 27 Climate Change Conference
Egypt | November 2022

Panel Discussion

Malaysia's Experience in Leveraging Islamic Finance to Develop a Sustainable Finance Ecosystem

2022 | 12.29





Malaysia moves forward in ESG practices, journey to

PETALING JAYA: Malaysian public-listed companies (PLCs) are faring well in environmental, social and governance (ESG) factors among their Asean peers based on leading ESG indicators, according to research by PwC Malaysia and Capital Markets Malaysia.

The research entitled “Positioning Corporate Malaysia for a Sustainable Future” highlights corporate Malaysia’s progress in sustainability and overall transition trajectory and the country’s efforts in promoting sustainable investing.

Securities Commission Malaysia (SC) deputy CEO and Capital Markets Malaysia chairman Datuk Zainal Izlan Zainal Abidin said the rise in demand for sustainable investments and sustainable assets has placed the capital market in a unique position to drive meaningful change in sustainability practices among corporates.

“The SC’s Capital Market Masterplan 3, covering the period 2021 to 2025, has laid out initiatives to shape a stakeholder economy by mobilising more capital towards sustainable businesses.

“Recognising that businesses will require significant financing to decarbonise and transition towards net-zero, the SC is working on a framework for market-based instruments to enable transition finance in Malaysia,” he said in a statement.

PwC Malaysia Southeast Asia sustainability and climate change leader Andrew Chan said the transition to a low carbon economy needs to be just and inclusive.

“With a just transition approach, plans and efforts made towards low carbon should be accompanied by social and economic considerations, so that the impact of low carbon transformation can be distributed equitably to people, communities as well as micro, small and medium enterprises (MSME) through supply chains.

“This is an opportunity for the investor community to get involved by building capacity for sustainable investment strategies and weighing in on policies that will shape a more sustainable environment for corporations and the wider society,” he said.

The SC has also developed a Sustainable and Responsible Investment Taxonomy which will enable capital market participants to identify economic activities that are aligned with ESG objectives, hence facilitating more informed and efficient decision-making for fundraising and investment.

Malaysian corporates are heeding the call for sustainability as issues faced by certain sectors come into sharp relief. PwC’s December 2021 research finds that 94% of the top 50 Malaysian PLCs have ESG strategies in place.

Although Bursa Malaysia is heavily-weighted towards sectors with greater exposure to sustainability challenges such as oil and gas, power and utilities, construction and property, plantations and manufacturing, it has been observed that players in these industries have been responding with proactive steps to improve their ESG standing.

The report highlights some of these best practices taken by Malaysian PLCs and organisations through 10 case studies. It lays out the challenges in measuring and comparing ESG efforts across different organisations.

A comparison of top-ranked companies across four ESG rating providers finds that across 41 companies, almost half of them (19) appears just once, and only one company appears consistently across all four ratings.

The publication provides an in-depth view of the regulations set and efforts made by the government and regulatory bodies in Malaysia in supporting climate-friendly and sustainable practices in the private sector and traction made by Malaysian corporates as a result.

A total of 28 Malaysian companies are represented as constituents in the MSCI All Country World Index (ACWI) ESG Leaders Index, which consists of large and mid-cap companies across developed and emerging markets of different countries.

Malaysian companies are also comparatively advanced in embracing global standards, with nine companies currently committed to emissions reduction targets grounded in climate science through the Science-Based Targets initiative (SBTi).

Malaysia accounts for the second-highest number among Asean peers for both the MSCI ACWI ESG Leaders Index and the SBTi indicators.



Business Plan 2023-2025 Away Day

November 2022



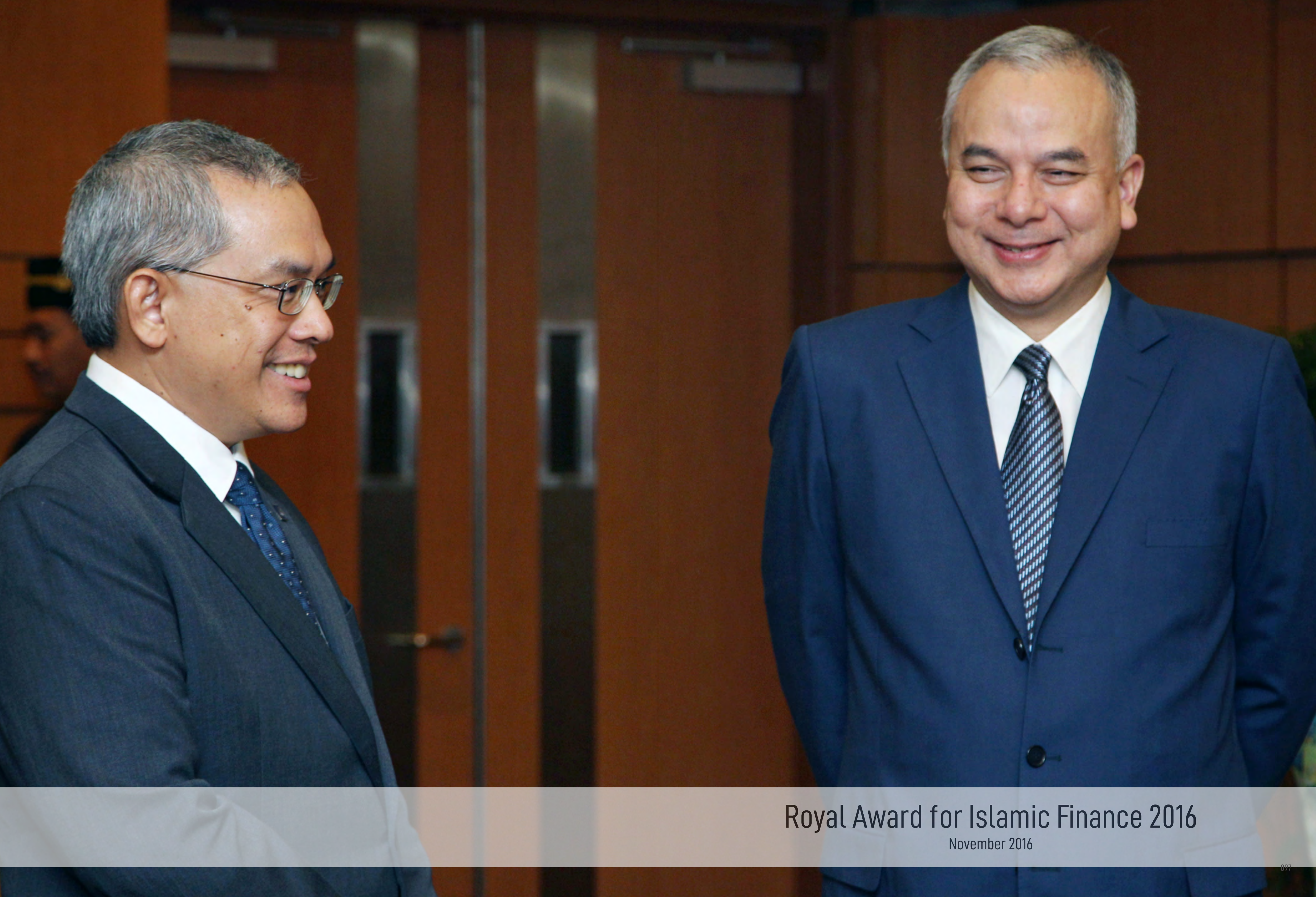
Royal Award for Islamic Finance 2022

October 2022



Royal Award for Islamic Finance 2018
October 2018





Royal Award for Islamic Finance 2016

November 2016





InvestSmart Fest Kuala Lumpur
Kuala Lumpur Convention Centre | October 2022

invest smart

A Securities Commission Malaysia Initiative

An informed investor is a protected investor





InvestSmart Fest Kuala Lumpur

Kuala Lumpur Convention Centre | October 2018



4th Islamic Sustainable
Finance & Investment Asia Forum 2022
September 2022

Moderator:
Zainal Izlan Zainal Abidin,
Deputy Chief Executive,
Securities Commission
Malaysia

Dr. Ayaz Ismail, Director –
Wholesale Banking, CIMB
Islamic

Chung Chee Leong,
President/CEO, Cagamas

Kevin Tan, Managing
Director, Head of Sustainable
Finance & Investments,
ASEAN, HSBC

Khabir Reza, Director, Fixed
Income, Kumpulan Wang
Persaraan (KWAP)

REDmoney



Moderator:
Zainal Izlan Zainal Abidin,
Deputy Chief Executive,
Securities Commission
Malaysia



Dr. Ayaz Ismail, Director –
Wholesale Banking, CIMB
Islamic



Chung Chee Leong,
President/CEO, Cagamas



Kevin Tan, Managing
Director, Head of Sustainable
Finance & Investments,
ASEAN, HSBC



Khabir Reza, Director, Fixed
Income, Kumpulan Wang
Persaraan (KWAP)



Govt to introduce 'clean' PPP model

> MoF to apply open tender system on all public-private partnership projects, including 17 that were reviewed

BY **EE ANN NEE**
sunbiz@thesundaily.com

KUALA LUMPUR: The Ministry of Finance (MoF) will not cancel public-private partnership (PPP) projects awarded through direct negotiations by the previous Barisan Nasional administration, particularly land swap deals, but will introduce a "clean" PPP model in line with its policy to conduct open tenders.

In a review process, the MoF found that 14 out of 17 PPP projects were directly negotiated.

"Most of the 17 projects were land swap projects, which essentially means the contractor will carry out a government project such as building affordable housing, schools, police stations, fire stations and army camps, and get pieces of government land in return, instead of being paid in cash. For the projects reviewed, the contractor would have negotiated directly with the government on the price of the project and the value of the government land at the same time.

"Such a direct negotiated process not only perverts the model of PPP into a privatisation exercise or crony capitalism, it also puts the federal government into deep debts. By direct negotiation, the real value of the government land is invariably underpriced whilst the cost of the public works project is overpriced," Finance Minister Lim Guan Eng said in his keynote address at the launch of the Institute of Corporate Directors Malaysia (ICDM) here yesterday.

He added that this is evidenced by the RM201 billion debt that has to be borne by the federal government as a result of the perversion of the PPP model.



From left: Institute of Corporate Directors Malaysia chairman Tan Sri Zarinah Anwar, Lim, Ranjit and Securities Commission deputy CEO Datuk Zainal Izlan Zainal Abidin during the launch of the Institute of Corporate Directors Malaysia yesterday.

Lim said the open tender process would ensure that all government projects are awarded to contractors who can deliver the best outcomes by getting the best value for money and that it does not add on debt but instead help to bring in revenue.

"This is one of the alternatives adopted by the Ministry to ensure that the projects will be carried out instead of taking the extreme approach of cancelling them altogether," he added.

Lim said Penang's adoption of the clean PPP model by open tender is the basis for its annual budget surpluses, increase in cash reserves by more than 100% and reduction in state government debts by 90%.

"This new model will not only be applied to the 17 major projects which were reviewed, but for all PPP projects in the future," he said.

Earlier, Lim launched ICDM, a dedicated body established by the Securities Commission Malaysia (SC) to enhance the professionalism and

effectiveness of corporate directors in Malaysia.

Formed by directors for the benefit of directors, ICDM's main objectives are to promote excellence, integrity and the highest levels of skills and professional competence among corporate directors in Malaysia; represent the interests of its members and advocate the adoption and application of corporate governance practices.

Outgoing SC chairman Tan Sri Ranjit Ajit Singh said the ICDM will add to the already rich and diverse corporate governance ecosystem to enhance director effectiveness and board leadership in Malaysia.

ICDM will focus on building a sustainable pipeline of directors through education programmes that equip directors with essential skills to serve on listed boards. ICDM also maintains a directors' registration provide director-sourcing services to companies so that succession planning is competency-based.

ISLAMIC CAPITAL MARKET

SC SEES NEW GROWTH AVENUES

Social finance and impact investing have big potential, says Zainal Izlan

KUALA LUMPUR

SOCIAL finance and impact investing are potentially new growth avenues for the Islamic capital market.

Securities Commission (SC) deputy chief executive Datuk Zainal Izlan Zainal Abidin said there were opportunities to explore integrating impact assessments with Islamic social finance instruments to enable investors to measure the impact of investments in socio-economic development and economic well-being.

"Another focus area under the

third Capital Market Masterplan is promoting greater technology adoption in the Islamic capital market.

"Further study on the application of Maqasid al Shariah in the context of the Islamic capital market will also be explored," he said in his keynote address at the Islamic Finance News UK Forum in London recently.

Zainal Izlan said innovation must continue to be at the heart of the development strategy for the Islamic capital market, adding that driving the development of the Islamic capital market through the next phase of growth would require closer col-

laboration among the various stakeholders.

While product and service innovation is key, he noted that initiatives to build capacity as well as awareness remained important, including raising awareness that the Islamic capital market had universal applicability and was not just for a limited segment of the market.

"In this regard, given the substantial amount of funding requirement globally to achieve the sustainable development goals, Islamic capital market can and should play a more significant role as capital can then be mo-

bilised more effectively, efficiently, and productively," said Zainal Izlan.

"In the fintech (financial technology) space, the SC has undertaken various initiatives to establish an innovative ecosystem for financial technologies to prosper," he added.

He pointed out that emphasis has been placed on enhancing access to financing and increasing investor participation through digital platforms such as equity crowdfunding, peer-to-peer financing, digital investment management, and digital asset exchanges.

"In encouraging the development of Islamic fintech, the SC has entered into a collaboration with the United Nations Capital Development Fund (UNCDF) to launch the first regulator-led Islamic fintech accelerator for the Malaysian capital market, known as FIKRA," said Zainal Izlan.

FIKRA, which means "ideas", provides a collaborative platform to connect innovative start-ups with the SC, UNCDF mentors, industry experts, and investors to build a vibrant and well-supported Islamic fintech ecosystem by identifying and scaling innovative fintech solutions. **Bernama**

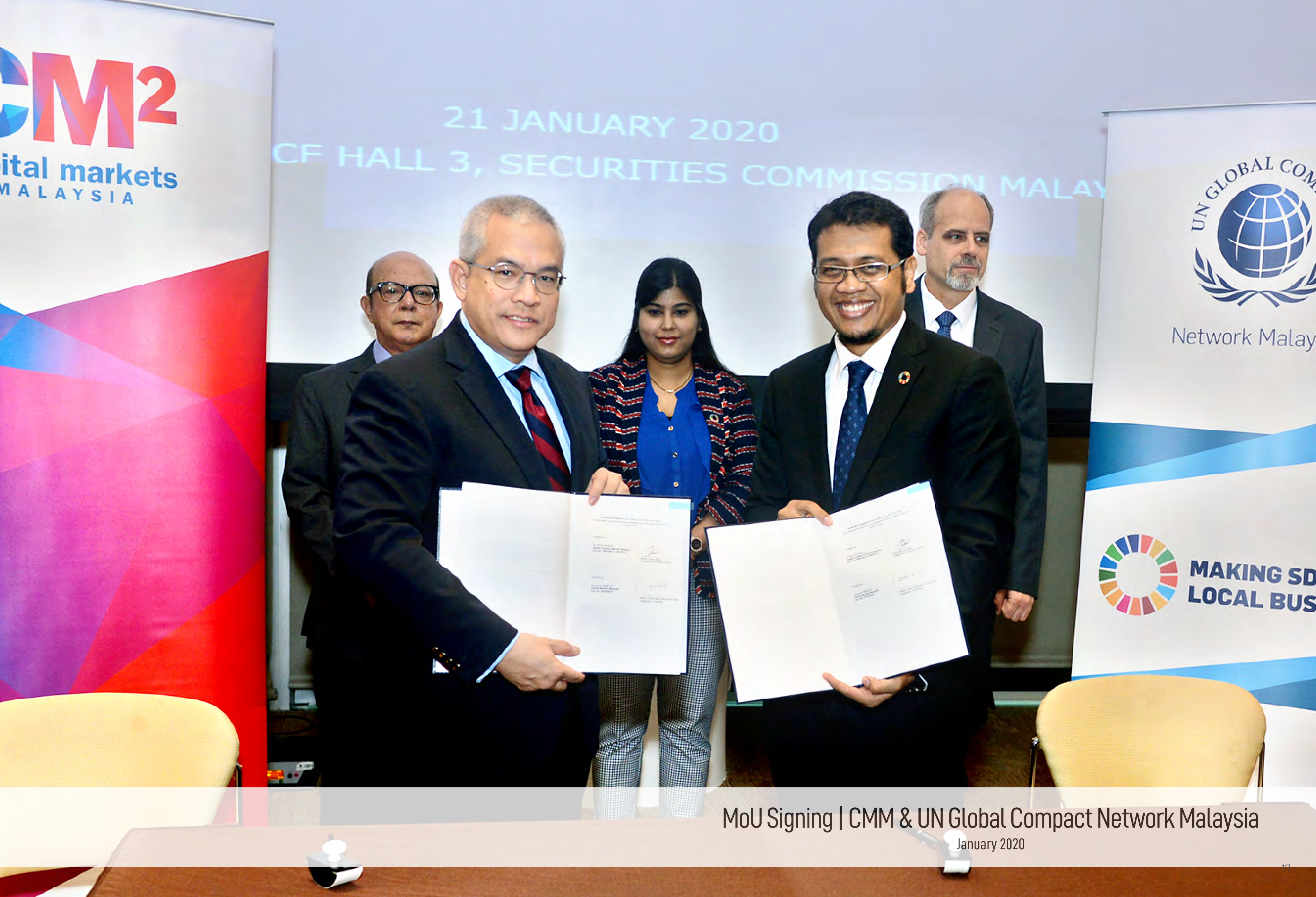


Securities Commission deputy chief executive Datuk Zainal Izlan Zainal Abidin (inset) says innovation must continue to be at the heart of the development strategy for the Islamic capital market.



Merdeka Walkabout
September 2022





CMM2
Capital markets
MALAYSIA

21 JANUARY 2020
CF HALL 3, SECURITIES COMMISSION MALAYSIA

UN GLOBAL COMPACT
Network Malaysia

MAKING SDG
LOCAL BUSINESS

MoU Signing | CMM & UN Global Compact Network Malaysia
January 2020



Family Day 2019
August 2019

Keynote Address At The Islamic Finance News UK Forum 2022

- September 2022

Below is the speech on sustainability and and capital market innovation delivered in the UK by Datuk Zainal Izlan Zainal Abidin, Deputy Chief Executive, Securities Commission Malaysia.

“Assalamualaikum and Good morning, ladies and gentlemen,

It is great to be back in London for the IFN UK Forum. It is my pleasure to be able to deliver my remarks in person today and at the same time, to see some familiar faces in the room.

Firstly, I would like to thank the organisers for inviting me to share recent developments in Islamic finance in Malaysia, particularly in the Islamic capital market.

Based on the Islamic Financial Services Industry Stability Report 2022 by the Islamic Financial Services Board, the estimated size of global Islamic financial assets in 2021 was USD 3.06 trillion, an 11.3% year-on-year growth. Within the overall industry, the rate of growth of Islamic capital market was almost twice that of Islamic banking.

While size is an important measure of growth, qualitative aspects including the ability to continuously meet the needs of market participants reflect the more fundamental strength of the industry. In this regard, for Islamic finance to remain relevant, innovation must continue to be a key driver of progress.

The combination of factors in recent years, such as the intensified pursuit of the SDGs and the widespread impact of the COVID-19 pandemic, have recalibrated and refocussed the needs of businesses and individuals, the private and the public sectors, as well as the developed and the emerging markets. These, in turn, have accelerated the opportunities for the financial sector including Islamic finance to contribute towards achieving the desired outcomes.

In line with the theme of today’s Forum, two key areas that can harness these opportunities and enhance the growth potential for Islamic finance are sustainable finance and technology.

It is broadly acknowledged that the underlying principles of sustainable finance and Islamic finance are quite closely aligned. This provides cross leveraging opportunities to benefit from each other’s strengths towards addressing global sustainability issues and achieving the SDGs. Importantly for Islamic finance, such alignment can drive deeper discussions on incorporating the principles of Maqasid al-Shariah into financial products and services. All these opportunities, of course, require stakeholders to innovate in order to generate practical and practicable solutions.

Technology is a key enabler in driving greater breadth and depth in the development of Islamic finance. It enables better cost and operational efficiencies, and enhances access at many levels – access to information, access to investors, access to products, and so on. Technology facilitates the serving of the under-served segments and the cross-border offering of products and services, thus according Islamic finance with significant opportunities.

Ladies and gentlemen,

If I may now share some of the recent developments in the Islamic Capital Market in Malaysia. To set the context, some of you may recall that in 2014 the Securities Commission issued its Sustainable and Responsible Investment (or SRI) Sukuk Framework to develop sukuk as an SRI asset class and facilitate companies to raise financing for their green, social and sustainability projects. This was the first, and a pivotal milestone, in Malaysia’s sustainable finance journey. As of August 2022, 23 corporate issuers have raised financing under the Framework, including the world’s first green sukuk as well as issuances for social purposes such as education and affordable housing.

To broaden the range of Shariah-compliant SRI instruments, in June this year the SC introduced the SRI-linked Sukuk Framework. This Framework aims to facilitate companies including those in hard-to-abate sectors to tap into the capital market to meet their transition finance needs, thus enabling them to speed up their transition towards low-carbon emission activities.

In tandem with the release of the Framework, the SC has also recently expanded its SRI Sukuk and Bond Grant Scheme, which was established in 2018 to assist issuers in defraying up to 90% of the external review costs for SRI Sukuk, to now include SRI-linked sukuk issued under the new Framework.

Furthermore, the SC is working with Bursa Malaysia, the national stock exchange, on establishing a Voluntary Carbon Market (VCM) that will be introduced at the end of this year. The VCM, which is planned to be Shariah-compliant, will enable Malaysian companies to purchase voluntary carbon credits from climate-friendly projects and solutions.

Apart from the voluntary carbon exchange initiative, Bursa Malaysia in 2021 introduced the FTSE4Good Bursa Malaysia Shariah Index to provide investors with Shariah and ESG compliant investment choices. To-date, there are 65 constituents on this index, comprising Shariah-compliant listed companies that have exemplary ESG practices. And just last week, Bursa Malaysia launched the FTSE Bursa Malaysia Top 100 ESG Low Carbon Select Shariah Index to expand its sustainability-related products.

Ladies and gentlemen,

A significant development to drive initial growth in the Islamic social finance space was the launch of the Waqf-Featured Fund Framework in 2020 to facilitate the offering of Islamic funds with Waqf features. This initiative aimed to spur more innovative Shariah-compliant SRI fund products to be introduced in Malaysia and provide investors an opportunity to invest and concurrently contribute towards socially impactful activities that may also support the SDGs.

In the fintech space, the SC has undertaken various initiatives to establish an innovative ecosystem for financial technologies to prosper. In particular, emphasis has been placed on enhancing access to financing and increasing investor participation through digital platforms such as equity crowdfunding, peer-to-peer financing, digital investment management and digital asset exchanges.

In encouraging the development of Islamic fintech, the SC has entered into a collaboration with the United Nations Capital Development Fund (UNCDF) to launch the first regulator-led Islamic fintech accelerator for the Malaysian capital market, known as FIKRA.

FIKRA, which means ‘ideas’, provides a collaborative platform to connect innovative start-ups with the SC, UNCDF mentors, industry experts and investors. The goal is to build a vibrant and well-supported Islamic fintech ecosystem by identifying and scaling innovative fintech solutions.

At its launch in May 2021, a total of 66 applications were received from 15 countries with value propositions addressing the three identified challenge areas, namely new Islamic capital market offerings; access to the Islamic capital market; and technology solutions to integrate traditional Islamic social finance instruments into the capital market.

In promoting greater inclusiveness through Islamic capital market, the SC introduced the Shariah Screening Assessment Toolkit for Unlisted Micro, Small, and Medium Enterprises in 2021 as a guidance in screening the Shariah status of unlisted MSMEs. The Toolkit is intended to spur further growth of the halal economy through wider use of Islamic alternative finance, by facilitating equity crowdfunding and peer to peer financing platform operators to undertake the assessment.

Ladies and gentlemen,

In September last year, the Securities Commission Malaysia launched its third Capital Market Masterplan (CMP3), which serves as a strategic framework for further development of Malaysia’s capital market over a five-year period between 2021 and 2025. In the CMP3, the SC has committed to expanding Islamic capital market offerings to better support the needs of broader stakeholders of the economy and to facilitate the transition to an economy that is sustainable and inclusive.

Looking ahead, social finance and impact investing are potentially new growth avenues for the Islamic capital market. There are opportunities to explore integrating impact assessments with Islamic social finance instruments, which will enable investors to measure the impact of investments in the areas of socio-economic development and economic well-being. Another focus area under the CMP3 is promoting greater adoption of technology in the Islamic capital market. In addition, further study on the application of Maqasid al-Shariah in the context of the Islamic capital market will also be explored.

Ladies and gentlemen,

Innovation must continue to be at the heart of the development strategy for Islamic capital market. Furthermore, driving the development of the Islamic capital market through the next phase of growth will require closer collaboration among the various stakeholders. While product and service innovation is key, initiatives to build capacity as well as awareness remain important, including raising awareness that Islamic capital market has universal applicability, and is not just for a limited segment of the market. In this regard, given the substantial amount of funding requirement globally to achieve the SDGs, Islamic capital market can and should play a more significant role as capital can then be mobilised more effectively, efficiently and productively.

On that note, I wish everyone a productive Forum ahead. Thank you.”





SC Sports Day
Stadium UNITEN Bangi | May 2015



SC Family Day 2012

October 2012

Malaysia securities regulator urges fund industry to launch more ESG funds

By Goh Thean Eu - JULY 29, 2022

A top executive at Malaysia’s securities regulator said the local asset and fund management industry “must ride on the wave” of the sustainable investing trend and launch a wider range of products, including environmental, social and governance funds.



Zainal Izlan Zainal Abidin

Citing data from the International Institute for Sustainable Development, Zainal Izlan Zainal Abidin, deputy chief executive of Securities Commission Malaysia, (SC), pointed out that by 2036, as much as US\$160 trillion of global assets are expected to be managed under some type of sustainable investing mandate. “The asset and fund management industry in Malaysia must ride on the wave of these trends and ramp up efforts in offering wider range of sustainable investment choices for investors. This includes the introduction of more innovative sustainable funds, focusing on thematic ESG themes, that resonate with investors’ interests and demand,” he said in his keynote address at Asia Asset Management’s 10th Annual Malaysia Roundtable on July 26.

According to Zainal Izlan, the launch of the International Sustainability Standards Board at the United Nations climate conference last November “could not have come at a more pertinent time when markets and asset managers are seeking to accelerate capital allocation toward companies demonstrating credible climate transition pathways”. He said asset managers and asset owners can play a leadership role in driving sustainable investments and fight climate change.

Their actions and decisions can “shape and influence the desired behaviour and instil greater urgency among the investee companies to transition towards low carbon activities and better sustainability practices”, he said.

“As we continue to approach the year 2030, the window of opportunity is closing in on us... We need to act now, to drive sustainability from purpose to action, from aspirational to attainable.”

Malaysia as regional SRI centre

Zainal Izlan noted that sustainable funds are a relatively nascent segment in Malaysian asset management, describing the growth trend as “encouraging”.

The SC issued guidelines on sustainable and responsible investment (SRI) funds in 2018. As of end-2021, 34 SRI funds have been launched with total net asset value of 5.07 billion ringgit (\$1.14 billion).

Zainal Izlan said the SC has introduced various initiatives to grow sustainable investing in recent years as part of plans to position Malaysia as a regional SRI centre. The most recent was the launch of the SRI-linked Sukuk Framework on July 1.

“The framework aims to facilitate companies including those in hard-to-abate sectors to tap into the capital market to meet their transition finance needs, thus enabling them to speed up their transition towards low-carbon emission activities,” he said.

The SC is currently developing a principles-based SRI taxonomy which he said will provide greater clarity and guidance to identify related assets or activities. It’s expected to be released by the end of the year.



KL Rat Race 2012

September 2012



“The development of the SRI ecosystem in Malaysia is a key priority for the Securities Commission, in view of the growing relevance of SRI while leveraging on the country’s leadership in the Islamic Capital Market.”

Datuk Zainal Izlan Zainal Abidin at IFN Asia Forum, May 2018

Editorial



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Zainal Izlan Zainal Abidin