

SC ISSUES CONSOLIDATED GUIDELINES ON ISLAMIC CAPITAL MARKET PRODUCTS AND SERVICES

Waqf-Featured Fund Framework also expanded to promote further innovation of ICM offerings for Islamic social finance

Kuala Lumpur, 28 November 2022

The Securities Commission Malaysia (SC) today issued new Guidelines on Islamic Capital Market Products and Services (ICMPS Guidelines) which will be the central source of reference on all the various offerings of Islamic Capital Market (ICM) products and services for sophisticated and retail investors. This forms part of the SC's initiatives to further enhance the Shariah governance framework for the Islamic capital market.

The ICMPS Guidelines consolidate all Shariah requirements previously set out in various guidelines including the Guidelines on Unit Trust Funds, Guidelines on Exchange-Traded Funds, and Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.

The SC Chairman Dato' Seri Dr. Awang Adek Hussin said the ICMPS Guidelines, which take effect today (28 November), will provide relevant stakeholders with one comprehensive central document on Shariah principles and requirements that are applicable to ICM products and services.

The ICMPS Guidelines also introduce a new chapter dedicated to waqf. In the SC's effort to deepen and broaden the ICM, this signifies waqf as an important enabler in harnessing the value proposition of Islamic social finance for Sustainable and Responsible Investment (SRI) initiatives.

Towards this end, the expanded Waqf-Featured Fund Framework (WQ-FF Framework) will now include listed funds such as Islamic Real Estate Investment Trusts (REITs) and Islamic Exchange Traded Funds (ETFs).

The expansion will provide product issuers and investors with more options to broaden investment choices in products that allocate all or part of their returns towards socially impactful activities via waqf.

"The release of the ICMPS Guidelines and the expansion of the WQ-FF Framework are in line with the development of the industry and market needs," Dato' Seri Dr. Awang said. "Innovation is key to remain relevant and to solidify Malaysia's role at the forefront of shariah market-based advancements."

Additional information on these can be found [here](#). Queries or feedback on the new Guidelines can also be submitted to AdGuidelines@seccom.com.my.