

MEDIA STATEMENT

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MIFC Leadership Council releases its Term Report, charting Malaysia's next chapter in Islamic finance

*Three-year progress report sets the stage for an industry-led business network
and the transition to the next phase of Malaysia's Islamic finance evolution*

Kuala Lumpur, 13 October 2025: The Malaysia International Islamic Financial Centre [MIFC] Leadership Council (MLC) today issued its *Three-Year Term Report (October 2022–2025)*, marking a transition milestone in Malaysia's journey as a global gateway for Islamic finance.

The release of the Term Report at the Global Islamic Finance Forum (GIFF) 2025, coincides with the conclusion of the Council's three-year term since its establishment in October 2022. The MLC was created by Bank Negara Malaysia (BNM) and the Securities Commission Malaysia (SC) to spearhead the next phase of growth for Islamic finance in Malaysia with a mandate for development through thought leadership, strategy formulation and catalysing implementation initiatives in line with the aspiration of Financial Sector Blueprint 2022-2026 and the Capital Market Masterplan 3 (2021-2025).

YAB Prime Minister Dato' Seri Anwar Ibrahim officiated the launch of GIFF 2025, the flagship event hosted by the Association of Islamic Banking and Financial Institutions Malaysia (AIBIM) at Sasana Kijang, Kuala Lumpur, today.

Building on the foundations laid by the MIFC initiative launched in 2006, the MLC continued Malaysia's national agenda to position the country as a leading international hub for Islamic finance culminating in the issuance of the MIFC Leadership Council Position Paper in May 2024 which reinforced and reset the strategic direction of Malaysia's Islamic finance industry after more than four decades of rapid growth.

Launched by YAB Prime Minister at the Global Forum on Islamic Economics and Finance (GFIEF) 2024, the MLC Position Paper outlines the long-term vision and guiding framework for advancing Malaysia's leadership in Islamic finance. This framework is structured around seven Principles (Core Values), 10 Shifts (Strategic Changes), 5 Key Thrusts (Execution Framework), 10 Key Focus Areas, and 18 MLC Impact Projects (MIPs).

In the past three years, the Council conducted more than 200 industry engagements, including 19 roundtable sessions, and four business missions to Indonesia, Hong Kong, Türkiye, and the United Kingdom. The Council also initiated 18 initial MIPs - pioneering, industry-led initiatives that demonstrate how Islamic finance can address real-world challenges and deliver meaningful impact.

“The MLC’s work over the past three years has been to strengthen Islamic finance’s true purpose as a force for shared prosperity, justice, and compassion,” said Tan Sri Azman Mokhtar, Malaysia International Islamic Financial Centre (MIFC) Leadership Council Chairman said.

Tan Sri Azman added: “This report is both a reflection of progress and a foundation for the next phase of *Islah* - renewal, restoration, and reform - to move from compliance (*halal*) towards impact (*tayyib*),” he said.

Looking ahead, the MIFC initiative under the stewardship of BNM and SC will transition into its next phase with the launch of the MIFC Business Network (MBN), an industry-led platform, with an oversight and strategic direction by both industry regulators. The MBN will be supported by an MIFC Secretariat.

Bringing together several leading institutions across banking, takaful, capital markets, and ancillary services as its founding members, the MBN will serve as a collaborative engine to drive industry ownership, cross-sector innovation, and new business opportunities.

Ultimately, the MBN aims to implement and execute projects, programmes and initiatives for the next stage of Islamic finance development.

“After the strategic realignment of the long term MIFC agenda by the MLC over its three-year term, the focus and locus of the next phase of the Islamic finance development rests firmly on implementation, execution and delivery by industry players. This is ultimately a reiteration of a call to action in our collective journey. May we be rightly guided in this endeavour,” said Tan Sri Azman.

The MLC Three-Year Term Report is available for download at www.mifclc.com.

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Selected Highlights from the MLC Impact Projects (MIPs)

Several achievements were recorded under the MLC Impact Projects (MIPs), namely:

- **Strategic Collaborations:** Partnerships with Komite Nasional Ekonomi dan Keuangan Syariah (KNEKS) of Indonesia, the Hong Kong Trade Development Council (HKTDC), the Finance Office of the Presidency of the Republic of Türkiye (CBYFO), and the Islamic Finance Council UK (UKIFC) have positioned Malaysia as a convener and catalyst in the global Islamic economy.
- **Financial Innovation:** Initiatives such as Dana Pemacu by Kumpulan Wang Persaraan (Diperbadankan) [KWAP] and Project Hassan by Lembaga Zakat Negeri Kedah (LZNK) enhanced competitiveness by mobilising private capital and reimagining zakat for food security and community empowerment.

In addition, the Social Exchange by the SC and i-RISE, a centre of excellence in Islamic economics by INCEIF University, created new platforms to channel philanthropic capital and embed Islamic economics into policy and research.

The Waqf-linked Sukuk by Yayasan Waqaf Malaysia and CIMB Islamic Bank and Post-Retirement Medical Takaful by MTA explored solutions to unlock dormant assets and support an ageing population, while entrepreneurship financing by AIBIM member banks demonstrated how Islamic finance can drive inclusive growth.

- **Thought Leadership:** Initiatives such as the Scholars Review of the Tayyib Concept by ISRA Institute of INCEIF University and the Maqasid al-Shariah Scorecard by the Malaysian Takaful Association (MTA) embedded ethics and values-driven principles into Islamic finance — reinforcing Malaysia's reputation as a global innovator.