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Shariah-compliant investment platform	Malay mail	Thursday	18 <sup>th</sup> February 2016

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## Shariah-compliant investment platform

**KUALA LUMPUR** — A group of six Malaysian Islamic banks yesterday launched a shariah-compliant investment platform that could shift the role of Islamic lenders to investment intermediaries from credit providers currently.

The Investment Account Platform (IAP) will serve as a central marketplace to finance small and medium-sized businesses, with the Malaysian government backing the scheme with an initial RM150 million in funds.

"Were looking at raising between RM200 million and RM300 million ringgit through the IAP over the next two to three years," chief executive Mohamed Izam Mohamed Yusof told reporters at the IAP's launch ceremony.

Its maiden project could be listed as early as next month, with future plans including listings in other currencies, he said.

Under the scheme, Islamic banks vet businesses seeking funds, provide a secondary market for investors and in some cases underwrite the equity transactions.

Under the government's Islamic Financial Services Act 2013, Islamic banks had to segregate Islamic deposits from investment accounts by July of last year, prompting them to diversify the financial products offered to customers.

The proportion of investment accounts to total funding for Islamic banks has risen to 10% as of December, from 7% in August, central bank governor Tan Sri Dr Zeti Akhtar Aziz said at the launch ceremony.

"For Islamic banks, the IAP creates a differentiated product that presents a new source of income and funding profile," Zeti said.