



'Housing the Nation' book launch

GREAT STEPS IN NATION-BUILDING

A young girl once said, no one has ever become poor by giving, and that wise child was none other than Anne Frank. Giving does not necessarily have to be in the materialistic form - meaningful giving starts from the heart. Fully committed to embracing its mission to promote the broader spread of house ownership and growth of the secondary mortgage market in Malaysia, Cagamas Berhad took up CSR to help those in need of a roof as well as to educate people. In this issue, CSR Malaysia gets in touch with Cagamas Berhad to gain a better insight into the organisation and its CSR initiatives.

Incorporated in 2007, Cagamas Holdings Berhad is the holding company of Cagamas Berhad, Cagamas MBS Berhad, Cagamas SME Berhad, BNM Sukuk Berhad, Cagamas SRP Berhad and Cagamas MGP Berhad. Cagamas Berhad (Cagamas), the National Mortgage Corporation of Malaysia, was established in 1986. It issues debt securities to finance the purchase of housing loans from financial institutions and non-financial

institutions. The provision of liquidity to financial institutions at a reasonable cost to the primary lenders of housing loans encourages further expansion of financing for houses at an affordable cost.

As part of its on-going corporate social responsibility (CSR) and zakat initiatives for eligible recipients under the “asnaf” category, Cagamas sponsored the construction of a home in Kuala Pilah. The beneficiary of the

first house completed under this programme, Haahsa binti Kasim, received the key in a handover ceremony attended by representatives from Cagamas, its Zakat Committee and Majlis Agama Islam Wilayah Persekutuan (MAIWP). It is to be noted that this is the first of such projects to be sponsored by Cagamas. The Corporate Zakat Distributable funds are used to help deserving recipients in accordance with stringent provisions of the principles of zakat.

“The CSR initiative to build houses for the needy under the Corporate Zakat Distributable funds is testament to Cagamas’ mandate of housing the nation. Our CSR efforts are driven by a sincere passion to make a difference in people’s lives and emphasis is given to the promotion of sustainability when considering donations with a view to improving society as a whole,” says Chung Chee Leong, President and Chief Executive Officer of Cagamas.

Cagamas is also well known for sponsoring various publications

including “Islamic Financial System: Principles & Operations”, an Islamic financial markets textbook. Published by the International Shari’ah Research Academy (ISRA), an autonomous research arm of the International Centre for Education in Islamic Finance (INCEIF), the textbook – the first of its kind in the world – played a crucial role in fulfilling the need for more literature on Islamic finance.

“This textbook is most timely in light of the shortage of reference material on the subject and the increasing significance of Islamic finance in the global arena. Cagamas is privileged to have the opportunity to contribute towards the development of the industry – we believe that it will benefit both Islamic finance scholars and practitioners alike,” said Dato’ Ooi Sang Kuang, the Chairman of Cagamas during the book launch.

The textbook is part of Cagamas’ CSR initiative in line with the Malaysia International Islamic Finance Centre’s (MIFC) initiative to promote the country as an international Islamic financial hub. Dr Rozali Mohamad Ali, Chairman of INCEIF’s Governing Council said, “We are honoured to have the support of Cagamas as the sponsor for this important project in contribution to our efforts to promote innovation and thought leadership in Islamic finance as we continue to enhance the methodology of teaching and the content of Islamic finance education and knowledge.”

The 19-chapter textbook encompasses an overview and the development of the Islamic financial and capital markets, Shariah framework and risk management principles, and mechanisms for the Islamic financial markets. It also covers regulation, supervision and governance, and discusses



Cagamas sponsors the construction of a house under its CSR Programme

opportunities, issues and challenges faced by the industry. The topics were developed according to post-graduate modules in Islamic finance in both local and international institutions of higher learning and based on discussions with academicians and practitioners. In addition to sponsoring the textbook, Cagamas was also consulted to review selected chapters and provide references to its role in the development of the Malaysian Islamic capital market.

Case studies showcasing Cagamas’ deals are featured prominently in the textbook, as well as other landmark deals of local and global issuers. Since its establishment, Cagamas has played an important role as a financial intermediary in the capital market. Its multiple award-winning RM1 billion Cagamas Sukuk al-Amanah Li al-Istithmar (Sukuk ALIm) issuance is another milestone in Cagamas’ continuous efforts to promote the Malaysian Islamic capital market as well as to provide a strong leadership in the Sukuk market by promoting standardisation and harmonisation of Shariah issues through product innovation.

Recently, Cagamas also launched a book entitled “Housing the Nation: Policies, Issues & Prospects” which serves to commemorate the 25th anniversary of Cagamas and to document the present realities of the housing sector and concerns in housing policies. The book contributes towards a greater understanding of Cagamas’ role in realising its mission in Malaysia.

This publication brings together 34 authors from the public and private sector including academia and civil society to capture the developments and issues, both present and future, in the housing industry. Amongst the areas covered include Cagamas’ role in promoting home ownership and the development of the capital market, housing needs, policies, administration and related laws as well as contributory factors affecting housing such as infrastructure, labour and environmental sustainability.

Do you have a heart for CSR? Do you have what it takes to be a CSR giant?