

More Zakat collections one reason why Fitch revised rating, says Najib
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The increase in Muslim tithes collections (zakat) to RM585 million this year is among the factors why Fitch Ratings revised its outlook on the economy, Datuk Seri Najib Razak said today.

The Prime Minister said the increase in zakat collections from RM532 million in 2014 was proof that the economy of Malaysian Muslims was improving.

"Yesterday global (financial) ratings body Fitch made a conclusion after a detailed assessment of the Malaysian economy's outlook. If before it was negative, now it is positive.

"The increase in revenue for the Baitulmal (zakat collection agency) due to sound management of the economy that has received international recognition is among those factors," Najib said.

He said this in his speech before handing out zakat contributions from the Federal Territories Islamic Affairs Council in conjunction with Ramadan in Bangi.

Malaysia yesterday avoided a speculated downgrade of its credit ratings by Fitch, which had warned in March that it might do so due to debts of state investor 1Malaysia Development Berhad.

Fitch yesterday maintained Malaysia's credit rating at A-, the fourth lowest grade, saying Putrajaya's implementation of the goods and services tax (GST) and removal of fuel subsidies projected better fiscal status for the government.

It also revised its outlook for Malaysia from "negative" to "stable".

Najib said the economy of Malaysian Muslims could not improve if the country was not managed without good, effective policies.

"Money does not grow on trees. The economy improved because of effective policies and good management by the government," he told about 3,000 zakat recipients.

The council was also able to increase its zakat collection from RM100 million in 2000 due to better practices such as monthly deductions, said Najib.

Earlier, Minister in the Prime Minister's Department Datuk Seri Jamil Khir Baharom announced that RM18.27 million in zakat funds would be distributed to 53,880 recipients in the Federal Territories during this Ramadan.

They include the hardcore poor at 24,360 recipients, the poor (20,010) and new converts (9,510).

He also announced that 20,000 individuals who receive monthly aid from the council will be covered under a Takaful Asnaf insurance scheme.

Those under the scheme will receive RM5,000 for accidental deaths, RM5,000 for permanent accidental disabilities and RM2,000 for natural deaths. – July 2, 2015

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