

DATO' SRI MOHD NAJIB BIN TUN HAJI ABDUL RAZAK
PERDANA MENTERI MALAYSIA
GRAND BALLROOM, RENAISSANCE HOTEL, KUALA LUMPUR
26/04/2012
GLOBAL DONORS FORUM 2012
"IMPACT PHILANTHROPY & INVESTING"

1. On behalf of the Government and the people of Malaysia, I am delighted to welcome you all to the Global Donors Forum 2012, and of course to the fifth annual convention of the World Congress of Muslim Philanthropists.

2. It is a pleasure and a privilege to be here today surrounded by so many beacons of philanthropy – trusted partners in the work not just of building empathy and understanding but of furthering the cause of social justice right around the world. In the tapestry of history our cultural ties, shared values and religious bonds have woven us together into a rich communal cloth – and I fervently believe that, united in this way, we have the means and the power to change lives for the better and to end to the degradation and the hopelessness of poverty.

3. It is, we know, a vast and indeed daunting task, but it is one that we must make our own – and we cannot balk at asking our collective conscience why our efforts so far have not met with more success. Yes, it is painful, but we must ask ourselves, unflinchingly, why in 2012 children still dies each day of preventable diseases, and why millions more go to bed hungry every night. Judged by history, where did we go wrong?

4. There are no easy answers to these questions, but now is the time for us to come together to find the inspiration and even the energy we need to face our task anew – re-examining the way we give, blazing a trail towards high-impact philanthropy and facilitating strategic partnerships among like-minded donors.

Ladies and gentlemen,

5. The essential goal of global development has long been to create and to sustain effective nation states – coherent societies that are well governed, economically self-sustaining, equitable, peaceful and sustainable. Yet a third of UN member nations remain unable to meet popular aspirations for a good quality of life, and the global economic crisis – coming hot on the heels of a world food crisis – has made those problems even more acute, ricocheting round the world and hitting the poorest hardest.

6. At the same time, civil societies across the world are being transformed by rising expectations, with more and more people starting to see what is possible and to demand a fair share for themselves and for their families.

7. Poverty, hunger, conflicts, disease: these are the challenges we face today, and it is the responsibility of every functional democracy to address them and to harness global philanthropy, public private partnerships and the very best of human endeavor to the cause.

8. At times like these, it is vital that civil society, the private sector and the public sector all understand their roles and play them in the most constructive way they can – because close coordination will be crucial if we are to achieve the change that we seek.

Ladies and gentlemen,

9. Today there are more than 1.5 billion Muslims living across all continents; men and women who are making a substantial contribution to the world economy at the same time as answering the call of

social justice. Embedded in vibrant Islamic tradition, giving is simply a part of who we are – but today, Muslim philanthropy faces a challenge: the challenge to build new models while simultaneously refining the old, and to ally itself firmly with this newly developing era of social awakening and progress.

10. You don't need me to tell you that, in recent years, Islam has faced pressure from all sides. Longstanding conflicts and the slow creep of extremism have created opportunities for some to question the very nature of our religion and to portray it in a negative and frequently hostile light. Sadly, even Muslim philanthropy has not escaped suspicion, and this pressure and negative publicity has at times limited its ability to face down global challenges, discouraging new donors from giving and making it harder for existing donors to give.

11. These difficulties, and the challenges inherent in tackling social injustice, poverty, environmental degradation, illiteracy and fanaticism, have led some to ask whether Muslim philanthropy requires a new set of premise and innovations for our times. Those are complex questions that I am sure will be the subject of some interesting discussions here today – but for my part, I am convinced that the moderation that runs to the very heart of Islam will come to stand as the enduring value of our times. I certainly hope the new Global Movement of Moderates Foundation will be able to play an important part in fostering tolerance and understanding at the same time as encouraging a broader culture of giving.

Ladies and gentlemen,

12. Here in Malaysia, our aim has always been one of balance and inclusive growth that delivers a broad spread of benefits to all sections of our population. To ensure that continued prosperity of our people in today's highly competitive world, we are making strenuous efforts to improve our national competitiveness through boosting creativity and innovation as well as through coupling the generation of new wealth to the improvement of social wellbeing.

13. In this period of economic recovery, social sector support projects are indispensable in countering the adverse impact of the global crisis on the poor. As part of that process I want to see Malaysia transforms its faith-based giving into a robust agent of social change – for only an efficient zakat management system, coupled with a strategic distribution approach, seems to be the right vehicle for converting zakat recipients into zakat givers.

14. The Zakat and Awqaf management system in Malaysia is subject to continuous improvement, and there is still much more we need to do in this regard. I am delighted to see this forum examining Zakat, Awqaf and Islamic Microfinance as potential vehicles for advancing impact philanthropy and investing in the Muslim world – and I would like to take this opportunity to congratulate Bank Muamalat Malaysia for their generous role in supporting today's discussions.

Ladies and gentlemen,

15. It now seems very clear that Governments alone cannot deliver the far-reaching social change we need. That will take support both from civil society and from the private sector – and Islamic finance has a special role to play in this regard.

16. At the heart of Islamic finance is of course the genuine philanthropic spirit – a spirit that pervades both its giving and its business practices and that holds the potential to transform the lives of billions of the poorest people in the world. Quite simply, financial innovations geared towards empowering not dominating people can revolutionize our world – so the ultimate focus of Islamic finance should be on its core value proposition and not just on furthering its assets.

17. Yet in spite of significant progress across all fronts, Islamic financial institutions have not yet succeeded in making financial services widely accessible to the poor – a move that could drive down poverty dramatically across the world. In recent years, some microfinance institutions have stepped in to service low-income Muslim customers and to meet their need for products consistent with Islamic financial principles, leading to the emergence of Islamic microfinance as a new market niche – and it is

now for us to build on that.

18. At its heart, Islamic microfinance is about financial inclusion, entrepreneurship and risk-sharing through partnership finance – an approach that conventional microfinance lacks. And there can be no doubt that, going forward, it represents an opportunity for Islamic finance to develop ethical yet profitable products and services at the same time as supporting social entrepreneurial activities and invest long-term in social funds.

Ladies and gentlemen,

19. While I believe there is plenty to learn from the economic success of Malaysia, there is also a lot that Malaysia can learn from this Forum about how to make our philanthropy more strategic, sustainable and high-impact. So I am delighted that this important event is taking place in our country this year -- a country united in its diversity, and it is fascinating to see that diversity reflected in the audience today. You have come from continents, countries and communities around the world – very different people from all walks of life but every one of you united by a common vision: to do greater good for all.

20. So I wholeheartedly support the objectives of this convention and the strategic philanthropic initiatives that are being launched this year – the Hasanah Trust Fund for poverty reduction, the Al-Salsabil Fund for Sustainable Development, and the Academy of Philanthropy for building the capacity of the philanthropic sector – and I wish them every success in the months and years ahead.

21. Let me say in closing how much I admire the work that you do, the commitment that you show and the public service that you undertake. I would like to commend Tan Sri Dr. Munir Majid and his dedicated team for bringing such an incredible gathering home, and to convey my appreciation to the Board of World Congress of Muslim Philanthropists for their leadership and vision.

22. Today, it is for each and every one of us to follow their call – to meet our moral and religious obligations, to give of our time and our money and ourselves, and to move forward to build together a force for greater social justice on a global scale.

23. May the blessings of the Almighty be with you.

Thank you.

Wabillahitaufik Walhidayah Wassalamualaikum Warahmatullahi Wabarakatuh.