

NEWSLETTER

Shariah Newsletter of GA Skylight Berhad

SUKUK WAKALAH BI AL-ISTITHMAR

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Hi Assalamualaikum everyone. Hope everyone doing well!

Do all of you remember in January last year, our newsletter discussed the topic of Wakalah? So here's the continuing topic about Wakalah.

Sukuk Wakalah bi al-istithmar (Sukuk Wakalah) refers to certificates of equal value evidencing the certificate holder's undivided ownership in the investment assets under their investment through the investment agent.

Sukuk Wakalah may be structured whereby the Shariah-compliant Wakalah investment portfolio Wakalah Portfolio comprises a combination of non-debt investment assets and debt investment assets.

In the 266th SAC meeting held on 16th March 2023, the SAC deliberated several issues about Sukuk Wakalah bi al-istithmar (Sukuk Wakalah) where the Wakalah Portfolio comprises combination of non-debt investment assets and debt investment assets.

The SAC resolved as follows:

Minimum percentage for Non-Debt Investment Assets in Wakalah Portfolio	Tradibility of Sukuk Wakalah
<p>At least 33% of the Sukuk Wakalah proceeds shall be invested into non-debt investment assets.</p> <p>This minimum percentage must be complied with at the time of each issuance of Sukuk Wakalah.</p>	<p>Sukuk Wakalah that has a component of non-debt investment assets (even when its percentage is less than percentage of debt investment assets is considered as a portfolio of assets.</p> <p>Therefore, such Sukuk Wakalah is not categorised as debt.</p>
<p>It is not required to maintain such percentage throughout the tenure of the Sukuk Wakalah.</p> <p>However, the non-debt investment assets shall at all times be a component of the Wakalah Portfolio.</p>	<p>Such Sukuk Wakalah can be traded in the secondary market at any negotiated price between the contracting parties without being subjected to the principle of bal' al-dayn, as long as the non-debt investment assets at all times be a component of the Wakalah Portfolio.</p>