



Course Objectives

Islamic Finance Fundamentals focus on understanding the primary constituents of Islamic banking and investments, thereby providing a strong foundation for product development. It will also assist executives that are considering the offering of Islamic Finance in developing a business case by understanding the requirements and dynamics of the sector. It also gives valuable insight into the Regulatory Framework for the Regulation of Islamic Finance around the world.

Course Methodology

The course will be organised into one-hour sessions over four days where speakers will highlight concerned issues.

Topics covered will include

- Growth of Islamic banking and finance Industry
- Islamic Versus Conventional banking & finance
- Development of Islamic windows & Islamic Financial Institutions
- Competing with conventional products
- Full potential of the Islamic retail market
- Innovations in Islamic banking products and Shariah compliant services
- Islamic Insurance (Takaful & Retaakafu)
- Venture Capital and Financial Assets mobilisation
- Islamic Structured Finance
- Islamic Capital Markets
- Sukuks
- Regulatory Issues
- Role of Jurists in Islamic Finance
- Shariah Compliance issues
- Resolving disputes
- Legal & tax issues
- Accounting and Auditing Standards

Day One

Introduction to Islamic economics and Islamic banking principles

- The global phenomenon of Islamic finance
- Explaining the Articles of Faith and the position of Islamic finance in Islam
- Distinguishing between the capitalist, socialist and Islamic economies
- What are the sources of law relating to Islamic economics?
- Explaining the fundamental principles of Islamic financing
- The distribution of wealth in Islam
- Standard-setting bodies in International Islamic finance
- The AAOIFI Shariah Standards

Interest and other prohibitions in Islamic finance law

- Legal maxims in Islamic banking and finance
- Demystifying interest and its prohibition in Islam
- The concept of commercial interest and its relevance to the prohibited interest
- Aspects of Gharar (Uncertainty)

Contracts in Islamic law

- What are the forms of contract in Islam?
- Does 'Commercial Ethics' differ in Islam
- Promises and their role in Islamic finance rules
- Exchange contracts (sale contracts) and agency contracts

Issues regarding payment, delivery and other aspects in a sale

Application of legal maxims, contracts and prohibitions in Islamic finance and investment

- Applying legal maxims to commercial dealings

Case study: Deposit and financing products—reviewing a product's Shariah Compliance

- Things to consider in the development of Islamic finance and investment products

Day 2

Islamic finance and investment techniques Overview of product range

- Investment products
- Financing products
- Advance financing products:
 - Salam
 - Istisna

Investment products: Mudaraba and Wadiah

- The concept of Mudaraba as per the Shariah standards
- The roles of parties in a Mudaraba
- Profit distribution in a Mudaraba
- Other acceptable deposit-taking instruments in Islam

Case study: Opening an investment account through Mudaraba

- Murabaha or cost-plus financing
- Murabaha as per the Shariah standards
- Necessary steps for a valid Murabaha financing transaction
- Securities or guarantees in

- Murabaha
- Penalty on default payments

Case study: Financing a motor vehicle through Murabaha

- Leasing (Ijara) as an acceptable financing tool
- Leasing and its permissibility in Islam
- Rules governing leases in Islam
- Differences between Ijara and Murabaha
- Residual and balloon payments in Ijara
- Issues related to insurance, expenses and ownership in leasing

Case study: Reviewing an Ijara contract

- Partnerships (Musharaka) used as a financing tool
- Musharaka as per the Shariah standards
- Differences between Mudaraba & Musharaka
- Diminishing Musharaka in Islamic finance
 - Roles of parties
 - Validity and termination of the Musharaka
- Musharaka as a mode of project financing

Case study: Buying a property through diminishing Musharaka

Day 3

Structuring Islamic banking products Structuring Shariah products

- Product development cycle for Shariah products
- Identifying the needs of customers
- Reviewing legal and Shariah aspects
- Accounting and legal implications
- Identifying the skills required
- Establishing a marketing strategy
- Launching the product

Reviewing contracts and supporting contracts in Shariah products

- Guarantees, agency contracts and transferring of debt
- Earning a profit, service fees and commission
- Understanding other sources of Islamic law:
 - Public interest
 - Customs
- Differing views

Shariah scholars, boards and advisors

- The importance of appointing a Shariah advisor
- Certification and Shariah approval – the community perspective
- Reviewing the role of Shariah boards

Structuring Islamic Financial Products Case study: Developing an Islamic banking product

Day 4

Introduction to Risk Management IFSB Standards.

- Risk Methodology in Islamic Finance
- Islamic Investment

A brief look at Sukuk Islamic Accounting AAOIFI

- Accounting standards
- Financial for IFI's

Course summary and conclusion

About us

The Metropolitan Skills Ltd. is a multi service company with one of its core business objective being to provide capacity building programs to individuals and institutions with our target audience being Banks, other Financial Institutions and Lawyers in private practice and or legal counsels to financial institutions.

In-house Training

Our in-house courses offer a highly cost effective training option for you and your clients. We can deliver all of our programs in your chosen location at a time which is convenient for you. For further information, please contact Tel: +234 0812 080 6101 Email: inhouse@themetskillsld.com

Venue:

All of our training courses are held in 4-5 star centrally located venues. The training venues are selected by both their location and training and refreshment facilities, this ensures that you will only learn in comfortable and convenient environments. Due to the variation of delegate numbers, confirmation of the venue, full address and details of how to get there can only be sent to you approximately three weeks prior to the course start.

Accommodation:

If you require accommodation for the duration of the course, Metropolitan Skills Ltd will make hotel reservation of your choice. We strongly advise you make hotel reservation early. For contact Tel: +234 0812 080 6101 Email: inhouse@themetskillsld.com



Shaikh Ziyaad Mahomed
Founder and Chief Executive Officer
Islamic Finance Institute of Southern Africa (IFISA)

Shaikh Ziyaad Mahomed is the founder and CEO of Islamic Finance Institute of Southern Africa (IFISA), a dedicated Islamic finance training institute on the African continent and has lectured widely throughout South Africa. Ziyaad served as National Marketing & Product Development Manager for Albaraka Bank South Africa. He has also been directly involved in the launching of a Shariah Compliant Unit Trust and Islamic Insurance (Takaful) in South Africa. He holds academic qualification in commerce, strategy and Islamic Law. Ziyaad has authored the study material used for distance learning at the Institute including a booklet on Islamic Insurance and other numerous works on Islamic Finance. Ziyaad has frequently contributed to various newspapers and magazines for the last 10 years. He has also presented extensively on radio and international satellite channels on Islamic finance, local & international markets, banking issues and economics for many years.

- Involved in Corporate & Executive training for the last 12 years
- Received certification from Islamic Scholars in the Qur'anic Sciences, Traditions, Exegeses, Jurisprudence of Transactions, and other related Shariah disciplines in South Africa and Egypt.
- Radio personality in Islamic Finance & Economics in South Africa
- Served as National Marketing & Product Development Manager at Albaraka Bank South Africa
- Involved in the development and launch of the first Islamic Insurance/ Takaful model for Takaful South Africa and a successful Shariah Compliant Unit Trust
- Served as Co-ordinator Disaster Recovery & Business Continuity at Albaraka Bank
- Trained & consulted to Central Bank officials in South Africa, Malawi, Kenya, Tanzania & Nigeria
- Lectured, advised and trained Executives, Legal counsel and Shariah Scholars in Austria, Turkey, the Middle East and extensively in East, West & South Africa
- Lectured to more than 3,000 participants in the last 4 years in Islamic Finance
- Studied Bachelor of Commerce at the Rand Afrikaans University
- Studied Islamic Law at the University of KwaZulu/Natal & MBA at the Management College of South Africa

Course Background

Islamic finance and banking has taken the world by the storm. The asset base is estimated at around **\$350 billion** and is expected to advance to **\$500 billion** within the next two years. In the last three years in South Africa alone, two of the largest banks in the country now offer Islamic banking, new Islamic investment products have been launched and an Islamic insurance product is capturing a niche market. It has become

crucial to understand the dynamics of Islamic finance in order to remain competitive in the market-place.

Islamic Finance Fundamentals focus on understanding the primary constituents of Islamic banking and investments thereby providing a strong foundation for new product development. The course will also assist executives that are considering the offering of Islamic Finance in developing a business case by understanding the requirements and dynamics of the sector.

Our Courses

- Level 1 : Fundamentals in Islamic Finance (Beginner)
- Level 2 : Islamic Investment & Sukuk (Intermediate)
- Level 3 : Islamic Finance Risk Management (Intermediate)
- Level 4 : Islamic Accounting & Auditing (Intermediate)
- Level 5 : Islamic Legal Documentation (Intermediate)
- Level 6 : Advanced Shariah : Shariah Standards (Advanced)

Completion of specific courses entitle attendees to International Islamic Finance Qualification examination sitting and designation upon passing, as well as certification from IFISA. Islamic Accounting & Auditing course prepares candidate for the CIFF (AAOIFI).