

# ISLAMIC FINANCE

## **COURSE OVERVIEW**

Islamic finance is a rapidly growing industry that offers an alternative to conventional finance. This course provides an in-depth understanding of the principles, products, and practices of Islamic finance, equipping participants with the knowledge and skills to navigate this dynamic and rapidly evolving field.

## **TARGET COMPETENCIES**

- Islamic Finance Principles
- Shariah Compliance
- Islamic Banking Products
- Shariah Governance
- Risk Management
- Ethical Considerations

## **COURSE OBJECTIVES**

By the end of this course, attendees will be able to:

- Explain the fundamental principles and concepts of Islamic finance
- Evaluate the Shariah compliance of financial products and services
- Analyze the different types of Islamic banking products and their applications
- Assess the Shariah governance framework and its role in Islamic finance
- Develop strategies for managing risks in Islamic financial institutions
- Integrate ethical considerations into the design and implementation of Islamic financial solutions

## **TARGET AUDIENCE**

- Banking Professionals
- Finance Managers
- Investment Analysts
- Risk Management Officers
- Business Students

# **COURSE METHODOLOGY**

This course utilizes a combination of lectures, case studies, group discussions, and hands-on exercises. Participants will engage in practical applications of Islamic finance principles, using real-world scenarios to enhance their understanding and skills. Interactive sessions and simulations will reinforce theoretical concepts and their practical implementation.

## **COURSE OUTLINE**

### **ISLAMIC FINANCE PRINCIPLES**

- Definition and history of Islamic finance
- Shariah law and its application in finance
- Prohibition of interest (riba) and its implications
- Profit-and-loss sharing (Mudarabah and Musharakah) principles
- Asset-backed financing and Sukuk.

### **SHARIAH COMPLIANCE IN FINANCE**

- Compliance Principles
- Compliance Implementation in Islamic Finance
- Responsible finance implementation
- Shariah screening and compliance processes
- Accounting and reporting standards for Islamic finance
- Challenges and considerations in Shariah compliance.

### **ISLAMIC BANKING PRODUCTS**

- Deposit products (Wadiah, Mudarabah, Qard)
- Financing products (Murabahah, Ijarah, Istisna', Diminishing Musharakah)
- Trade finance instruments (Murabahah, Salam, Istisna')
- Treasury and capital market products (Tawarruq, Wa'd, Sukuk)

### **SHARIAH GOVERNANCE**

- Shariah governance framework and its components
- Roles and responsibilities of the Shariah Supervisory Board
- Shariah compliance review and audit processes
- Shariah governance standards and guidelines
- Challenges and best practices in Shariah governance

### **RISK MANAGEMENT IN ISLAMIC FINANCE**

- Unique risks in Islamic finance (Shariah non-compliance, asset-backed risks)
- Risk identification, assessment, and mitigation strategies
- Liquidity management in Islamic financial institutions
- Regulatory requirements and guidelines for risk management
- Role of Takaful (Islamic insurance) in risk management.

### **ETHICAL CONSIDERATIONS IN ISLAMIC FINANCE**

- Social responsibility and environmental sustainability
- Wealth distribution and financial inclusion
- Corporate governance and transparency
- Ethical investment and screening
- Zakat (almsgiving) and its application in Islamic finance.