Accreditation, Regulation and Standards

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Islamic Finance Talent: East & West
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www.faa.org.my

Outline

01 Training Landscape

02 Standardisation in Learning

03 Case Study: Islamic Finance Programmes

04 FAA & Industry Collaboration

05 FAA Learning Standards

06 FAA Team of Experts

Islamic Finance Education Providers Worldwide

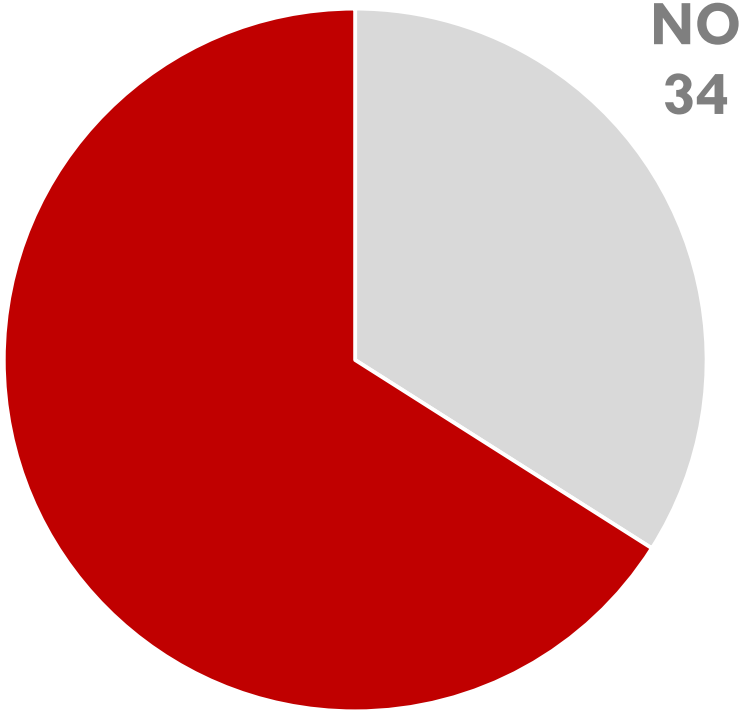
Source: *Yurizk Global Islamic Finance Report 2013*

Driving Quality Excellence
in the Financial Services Industry

FAA Finance Accreditation Agency

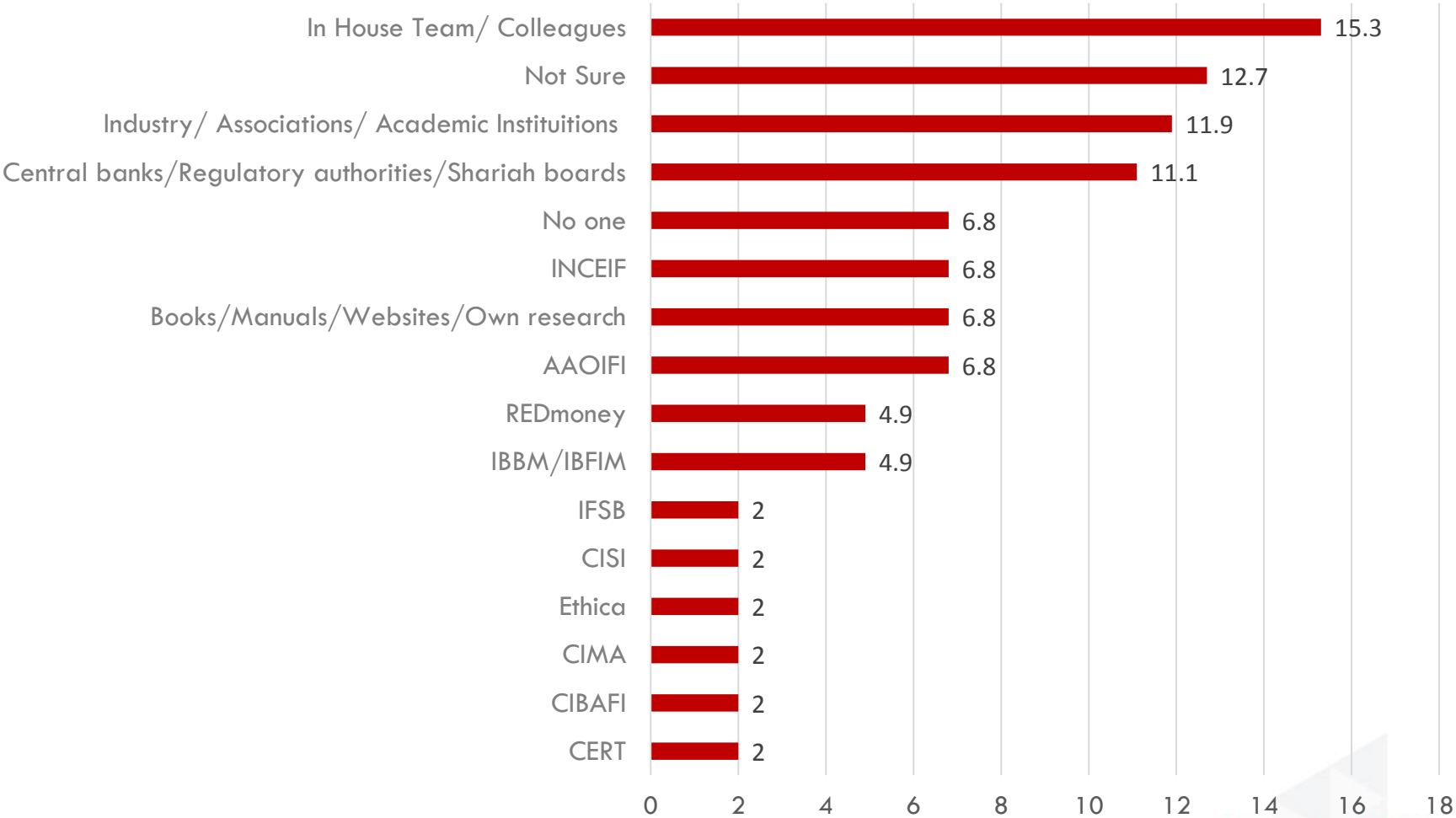
Standardisation in Learning

There are no industry- wide standards for Islamic Finance training programmes



Source: FAA Talent Development Survey 2014

Source of Reference for Learning Standards



Source: FAA Talent Development Survey 2014

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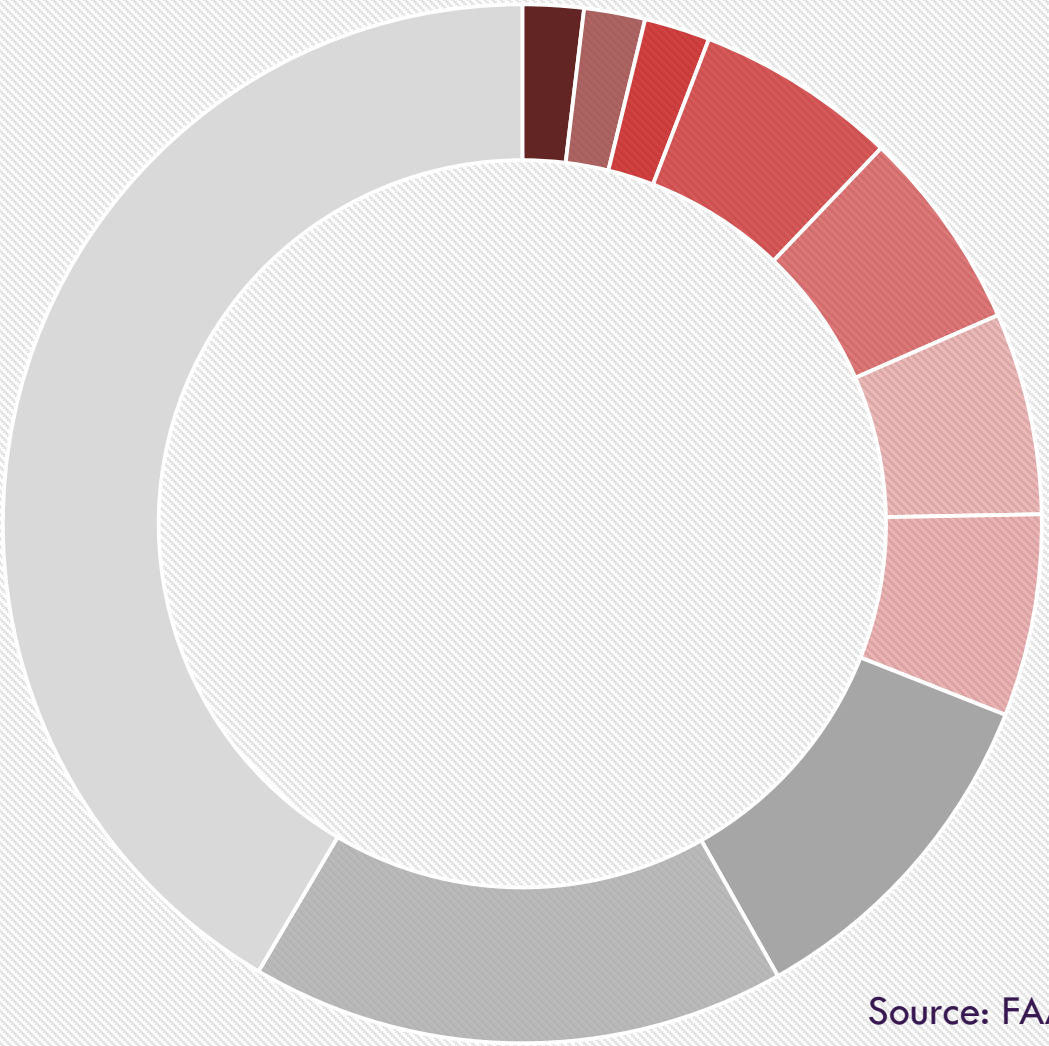
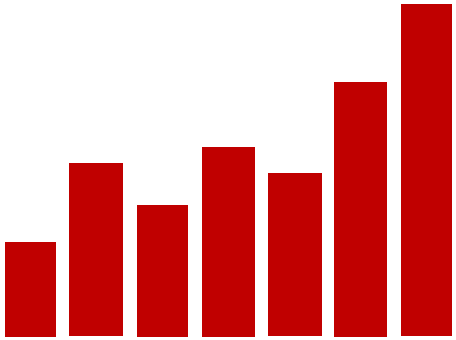
Competency Gaps in Islamic Finance Practitioners



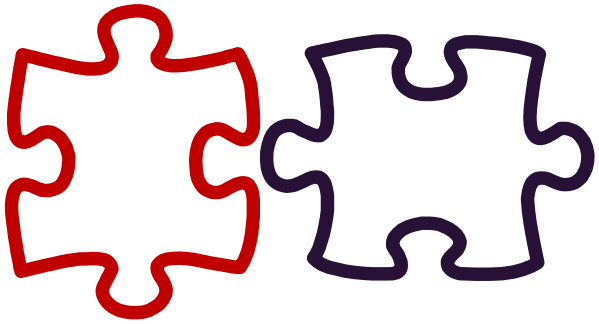
- Basel III/ Regulation
- Sukuk
- Shariah Expertise
- Branding/ Marketing
- Compliance
- Others
- Legal/ Risk Documentation
- Strategic Planning
- Innovation/ Product Development
- Technical IF Knowledge

Source: FAA Talent Development Survey 2014

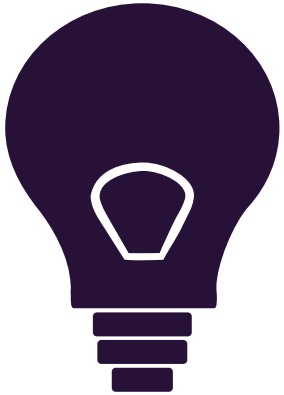
Talent Development Challenges



Demand and Supply Mismatch



Detached Curriculum



Unique Islamic Finance Skill Sets

Case Study: Academic Programme

7 / 11 100%

5) The learning level and job level are not explained in the submitted documents. Propose that the Owner to complete this two parts.

3. Learning Programme Structure	**Score: 4.3**

Remarks:

1) Based on the course syllabus of the 19 modules, it is apparent that the LO and LPO were incorrectly stated and matched. E.g., the statement that should be the LO was stated as LPO and
vice versa

2) Arising from the deficiency highlighted above, some of the topics / learning contents did not fulfil the desired LPO

3)80% of the learning methodologies were centered on lectures and exams, whilst only 20% were allocated for case studies and assignments

4)Some of the topics in the study plan requires more time to cover the depth given that the learners do not have any basic understanding of Islamic finance

5) The learning programme evaluation is inadequate to provide a holistic perspective on the programme from the learner's point of view. Therefore, it is not feasible to use the existing
evaluation form to assess the effectiveness of the facilitators, learning contents, methodologies and mode

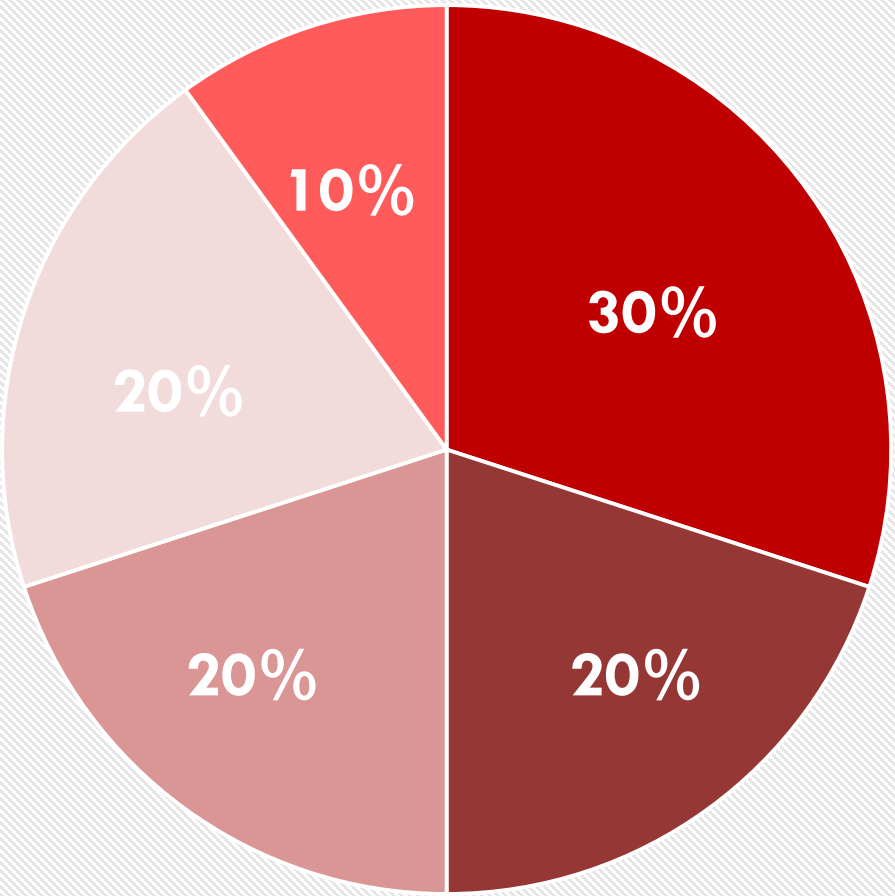
6) Although the facilitators are academically qualified, most of them do not have any experience in the Islamic banking and takaful fields.

7)we request to provide the rationale for having Module 7 "Contemporary Environmental Issues" in this program. Since, the program contains 19 modules only, it is recommended that the topic
to be replaced with other important topics in view of the latest development in Islamic finance across the globe such as the followings:

1. Islamic Finance Issues
2. Corporate and Shariah Governance
3. Risk Management for Islamic Financial Institutions

4. Learning Programme Delivery	**Score: 4**

Proposed Content Breakdown of a Diploma in Islamic Finance



- Finance Theories(lectures, cases, debates, projects)
- Shariah Fundamentals (lectures, cases, debates, projects)
- Practical Training(either in industry or in university)
- Other general courses
- Other skills (soft skills, including ethics)

Source: Syed Othman Alhabshi, INCEIF at the WIFE 2015 'Developing World Class Human Capital in Islamic Finance'

Case Study: Professional Programme

6 / 14 105% Tools Sign Commen

RTP:

1. The assignment of learning hours out of of the 20 days duration is not cleared. It is only mentioned that all 11 modules will be covered in 12 hours (and O days?). However, full module
content for Module 11 on Risk Managements is divided into Day One and Day Two. This requires clarification from the RTP.

2. Islamic Money Market is not introduced in any modules. Propose that the topic to be covered in the modules.

3. Although both Module 4 and Module 5 will cover the Islamic Law of Transactions with different content, it is proposed that the Learning Module's description and LO must be specifically
aligned to the content of each module. Currently, both are of the same statement.

In addition, the content of both modules should be extended to cover the fundamental knowledge in Islamic Laws of Transaction i.e.:

(i) Prohibitive Elements - Riba, Gharar and Maisir
(ii) The concept of aqd
(iii) In addition to the Shariah contracts listed in the module, other contracts must also be explained e.g. salam, istisna', sarf, kafalah, ibra', muqasah, the issue of ta'widh and gharamah
etc.

4. There is inconsistency in term of Module names between Module 7 (Islamic Capital Market "Law"), Module 8 (Takaful "Law"), Module 9 (Islamic Wealth Planning and Management) and Module 10

Possible Solution

1. Internship/Industry Attachments
2. Industry Advisory Board
3. Co-Teaching
4. Industry-based Academic Projects
5. Consulting Work
6. Professional Associations
7. Accreditation

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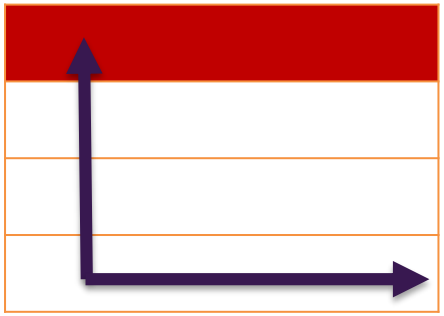
FAA and Industry Collaboration

Accreditation

FAA Learning Standards



Islamic Finance Professional Programmes Structure

FAA Learning Standards

- A reference suite for training providers, financial institutions and individuals within the financial services industry to identify learning needs and develop learning programmes
- 56 FLS produced to date

Recommendation

- Training Providers, Academia and the industry can collaborate to create a curriculum that is approved and recognised on a wider scale.

- Organisations such as FAA can provide accreditation for Islamic finance courses which incorporates both technical competencies and soft skills such as management and leadership.

- Accreditation will help and focus the need to bring stakeholders together. Standard setting bodies such as FAA can play a key role in developing a standardised and uniform curriculum for the professional sector which will be widely accepted. This will also help the industry achieve the quality talent that they are looking for.

Thank You

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