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ISLAMIC FINANCE THE HUMAN CAPITAL CHALLENGE 2013: PRACTITIONER INSIGHTS



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Foreword



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Mohammad A Qayyum heads the Institute of Islamic Banking and Insurance (IIBI) in a voluntary capacity. The IIBI was founded in London in 1990 but its origin goes back to 1985. The IIBI is dedicated solely to education, training, research and publications to advance the knowledge and practice of the principles governing Islamic banking and takaful. He worked in a number of banks at international level before joining the IIBI. He particularly aspires to promote the adoption of a moral code in the Islamic finance industry.



The UK enjoys the enviable reputation of being the leading financial centre and is also one of the centres of world-class education. Its international outlook has proved a benefit for the Islamic finance industry with five full-fledged Islamic banks already operating in the country and a host of leading banks also offering some Islamic financial products. A number of organisations, including international legal and audit firms in London are providing services and expertise in Islamic finance around the world. In Islamic finance education several other organisations, universities and training providers - more than in any single country - are actively engaged in the human capital development for the industry, which is expected to maintain its rapid growth as more countries enable Islamic financial institutions to be launched. Many existing personnel and new entrants have obtained their Islamic finance education and training from a UK organisation. Such education is deeply rooted in moral precepts not aimed at developing a narrow set of skills solely for maximising profits, but will in the long-term help to bring about the necessary changes in the approach to financial dealings in the global competitive environment.

With the UK Muslim population reaching nearly three million, the outlook for Islamic finance in the UK is very positive. I believe the UK is determined to set higher standards to secure the development of human capital, while committed to practising the principles underpinning the Islamic finance industry.

Message

The UK has become Europe's premier centre for Islamic finance with US\$19 billion in reported assets and more than 20 banks offering Islamic finance products and services, six of which are wholly Shari'a compliant.

With world class academic institutions offering a range of specialist courses and qualifications in Islamic finance, the UK is also a global leading provider of sector specific education and training.

At least 16 universities and business schools offer postgraduate degrees in Islamic finance and banking, and a further four professional institutes offer Islamic finance qualifications here in the UK.

The Government has long recognised the value of international education partnerships to the UK. Many home-grown institutions offering Islamic finance have already built strong alliances overseas:

- Durham University's Islamic Finance Programme hosts an annual joint workshop with Kyoto University on New Horizons in Islamic Economics and Finance;
- The Centre for Islamic Finance at the University of Bolton has recently been awarded accreditation for the joint MA with the University of Sarajevo, Bosnia Herzegovina; and
- CISI's Islamic Finance Qualification (IFQ) is a joint initiative with L'École Supérieure des Affaires in the Lebanon. Designed to provide newcomers with a practical overview of Islamic finance, the IFQ is now widely taken by both full time students and practitioners in more than 40 countries.

UKTI is committed to supporting further international co-operation and promoting UK excellence in education and skills around the world.

The 9th World Islamic Economic Forum (WIEF) in London this October provides a golden opportunity to showcase the UK's excellence in Islamic finance education. UKTI is hosting a British Business Pavilion (BBP) at the event to present the latest business opportunities, expertise and innovative solutions in healthcare, smart cities, education and finance. The finance event will showcase the UK's strengths in the area of Islamic finance, particularly highlighting education, training and research expertise as a driving force behind the sector's global growth.



UK Trade & Investment

With professional advisers both within the UK and across more than 100 international markets, UK Trade & Investment is the UK Government Department that helps UK-based companies succeed in the global economy and assists overseas companies to bring their high quality investment to the UK. Its role is to help companies realise their international business potential through knowledge transfer and ongoing partnership support.

Contact
www.ukti.gov.uk

Introduction

Dear Friends,

We are delighted to welcome you to, The Human Capital Challenge 2013: Practitioner Insights.

This publication, through invaluable insights from some of Britain and the world's renowned Islamic finance executives, candidly looks at the issues of talent, training and expertise in Islamic finance; with the distinct purpose to enable the industry to form comprehensive human capital strategies moving forward. It is no secret financial institutions have long understood the need to invest in its people, through nurturing talent and offering the best training, support and education. Islamic finance (IF) is no different. This sector is slowly catching up to the realisation that the burgeoning industry needs to cultivate the right people in order to (a) progress (b) develop and (c) remain competitive. The questions we must ask ourselves are how we achieve this and how best to manage the human capital challenge with key IF stakeholders, including:

- **Education & Training:** Universities and educational institutions offering IF courses have risen. But what, if any employment opportunities are there for graduates and trainees and how do we create those opportunities?
- **Employers:** We want to attract and retain the best talent. How do employers help achieve this?
- **Job seekers:** It is clear a large number of people are keen to work in the industry. How can we demonstrate better transparency and offer job seekers opportunity and guidance from within the industry?

Therefore as a company, Simply Sharia Human Capital felt compelled to produce a report which opened the conversation on the issues underpinning the talent landscape in Islamic finance. This is the first step; we understand that more needs to be done to analyse, collate data and shape solutions for the future. For those seeking opportunities in the industry, we feel this report will be invaluable through the commentary and advice from experienced and reputable industry practitioners across all the major professional disciplines within Islamic finance.

Today we are proud to say that the UK Islamic finance scene is vital, progressive and leading the tough conversation on a global front. More needs to be done and we hope you find this Report a step in that direction.

Thank you.



Faizal Karbani
CEO & Founder, Simply Sharia Limited



Nyra Mahmood
Director, Simply Sharia Human Capital

The Global Outlook

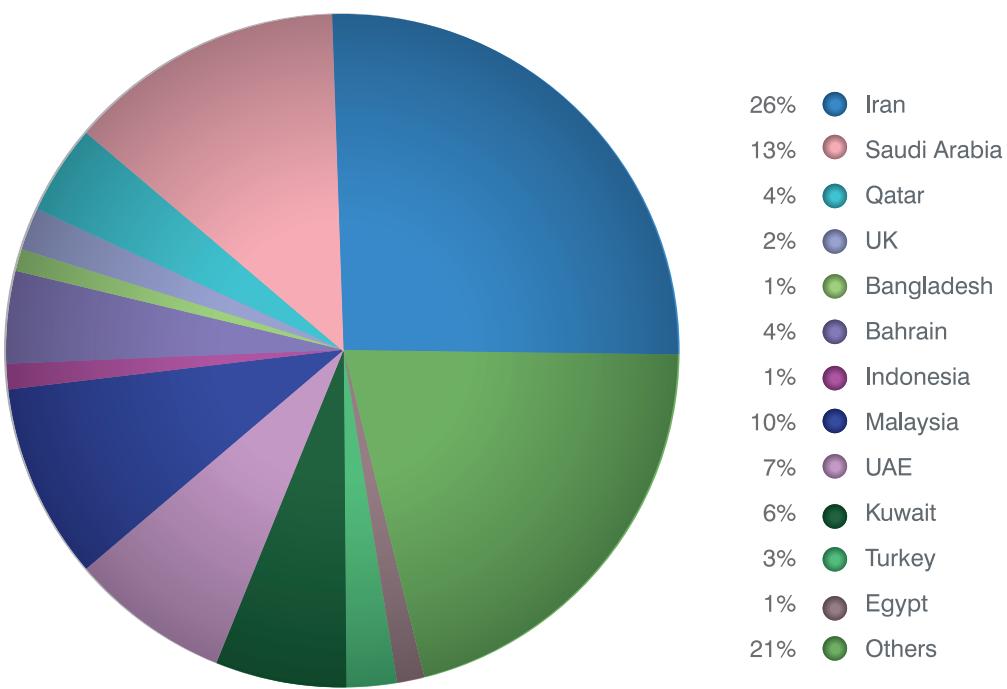
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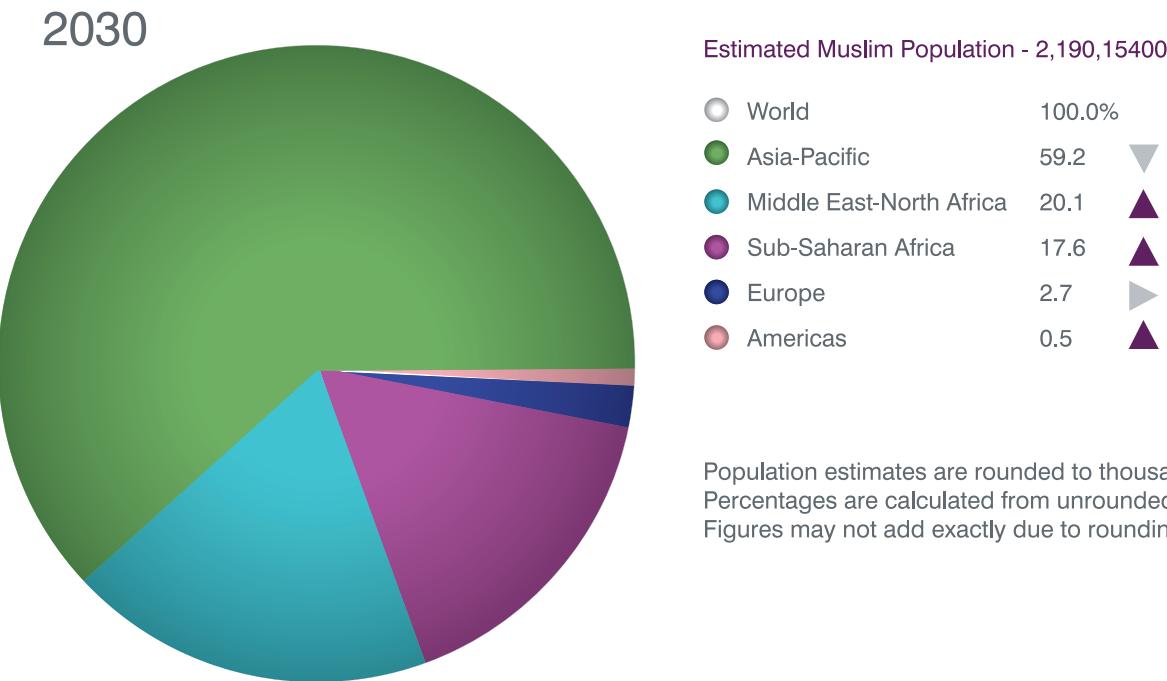


% Share of Global IF Industry



Source: Derived from figures taken from the Global Islamic Finance Report (GIFR) 2013 by Edbiz Consulting

Muslim Population by Region



Source: Pew Research Center's Forum on Religion & Public Life -
The Future of the Global Muslim Population, January 2011



Europe & The UK Market

Finding a Career Path in Islamic Finance

By Mohammed Amin



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Mohammed Amin is an Islamic finance consultant, graduating in Mathematics from Cambridge University. He is also a chartered accountant, a chartered tax advisor and a qualified corporate treasurer. Before retiring, Amin was a tax partner in PricewaterhouseCoopers LLP and led PwC's Islamic Finance practice in the UK. Amin regularly contributes articles and book chapters to a range of professional and industry publications and writes about Islamic finance on his personal website. He has presented on Islamic finance in over 20 cities outside the UK.

As a frequent speaker on Islamic finance and a former tax partner with PricewaterhouseCoopers LLP leading PwC's Islamic Finance practice in the UK, I am often approached by Muslim students or recent graduates wanting advice on how to pursue a career in Islamic finance. There are two main questions that need to be addressed to be able to advise young professionals wanting to enter this sphere:

1. How realistic is a career in Islamic finance for UK professionals?
2. How can young people maximise their chances?

The global growth potential

Three key statistics suggest Islamic finance (IF) is a robust industry and will continue to grow strongly for the foreseeable future:

- Muslims are about 23% of the world's population ¹
- Global financial assets are about \$225 trillion ²
- Global Islamic finance assets are about \$1.5 trillion ³

Accordingly, Islamic finance assets represent about 0.7% of global financial assets, despite Muslims constituting about 23% of the global population. The wide divergence between these two percentages is due to relative Muslim / non-Muslim wealth levels and also the reality that many Muslims do utilise conventional finance. However changes in both factors have propelled the growth of Islamic finance over the years and I expect this trend to continue as Muslims become richer and their readiness to use conventional finance diminishes.

Where will the jobs be?

Retail financial services are almost always delivered from within the countries where the customers are located. The reason is a combination of practicality and protectionism by national regulators. Even within the European Union, which has taken many measures to facilitate the cross-border provision of financial services, most citizens bank and insure with providers located in their own country. Therefore, most future jobs in Islamic finance will be located where most Muslims are, in Muslim majority countries. However some financial services, primarily at a wholesale or corporate level, are delivered internationally. In conventional finance, London acts as a centre for international banking, insurance, derivatives trading, and FX trading as well as many other similar sectors. If the London based financial services industry served only UK based end customers, it would be a small fraction of its present size. The same logic applies within Islamic finance, which is why four of the five purely Islamic banks in the UK are investment banks located in London but serving international markets. Only one UK based Islamic bank, the Islamic Bank of Britain plc (IBB), targets UK retail customers and chose to locate in Birmingham.

The size of the UK Islamic finance job market

A realistic approach is needed to understand and identify the Islamic finance employment opportunities in the UK. As a starting point and because the data is readily available, we can look at the stand-alone Islamic banks, which are listed below ranked by number of employees as of 31st December 2012 - the last date for which they published full accounts.

Bank	Headcount
Islamic Bank of Britain	118
Bank of London and the Middle East	86
European Islamic Investment Bank	84
Gatehouse Bank	38
QIB (UK)	31
Total	357

The above figures represent the total headcount of these banks. When the banks were newly established they were building up staffing levels, but several years ago they reached their target size, and their staff levels have since been on a plateau. The accounts do not disclose staff turnover but if for example staff turnover is 10% then the institutions would only need to recruit a total of 36 people a year between them. As well as the stand-alone Islamic banks, the UK Islamic finance industry also employs a significant number of people in "window" operations (Lloyds Bank and Barclays) and in the structured Islamic finance desks of investment banks. No headcount data is available. Even if including such operations were to triple the entire headcount, the total would still only amount to around 1,000 bank employees with perhaps 100 being replaced each year, often by recruitment from within the organisation.

To the bank employee numbers above, we can also add jobs in other financial services sectors such as insurance, asset management, and service providers such as lawyers, accountants, actuaries etc. However the overall conclusion is that the number of employment opportunities in UK Islamic finance is limited though not absent.

The need for specialisation

Students often seek a career in Islamic finance without realising that there is no such thing as a generic "job in Islamic finance" just as there is no such thing as a generic conventional finance job.

Financial services firms (whether conventional or Islamic) employ specialists.

Apart from Shari'a experts who are required only by the Islamic finance industry, some of the other categories listed below are required by both Islamic and conventional finance firms.

- Shari'a experts
- Lending officers
- Internal auditors
- Regulatory specialists
- Risk specialist
- IT specialists

Acquiring specialist skills

Some of the skills can be acquired by choosing appropriate university subjects or by obtaining professional qualifications such as becoming a chartered accountant. However the most relevant training and experience to become a banker can only be gained by working for a conventional bank, either as part of its graduate trainee programme or within a specialist role such as working on its equipment leasing desk.

Unlike UK conventional banks, the UK Islamic banks are too small to offer graduate training programmes, which take new graduates and develop them into bankers. Instead their business model relies upon recruiting people who already have the skills that the bank needs. Retraining a conventional banker to work in an Islamic bank is relatively straightforward, unlike teaching a new graduate how to be a banker, whether Islamic or conventional.

Some Muslims hold religious views which preclude them working in a conventional bank. Their views are of course a matter they decide for themselves. However, unless someone has other relevant specialist qualifications such as being a chartered accountant, they will be unlikely to acquire the expert skills that would make them employable by an Islamic bank in the UK. The same logic applies to someone who wishes to become a specialist in Takaful (Islamic insurance), Islamic asset management or other sectors of the Islamic financial services industry. Furthermore, even training as a chartered accountant who has a financial services industry specialism entails providing services to conventional financial institutions, for example being part of audit teams auditing conventional banks. There is insufficient Islamic bank auditing work in the UK for trainee bank auditors to gain adequate experience through purely auditing Islamic banks. Therefore those individuals whose religious views preclude them auditing conventional banks will not be able to learn within the UK how to audit banks. This is certainly an issue for pause for some people wanting to enter IF.

Gaining experience abroad

The training situation is quite different in the Islamic financial services industry in places such as Malaysia and the GCC countries. Islamic finance in Muslim majority regions like the GCC and Malaysia has sufficient scale to be able to take on new graduates and train them to be bankers.

However UK based graduates without existing experience will struggle to compete effectively against local graduates for such jobs. In particular, language skills and the absence of local cultural knowledge are likely to be a barrier, in addition to national employment regulations that often discriminate in favour of local employees.

Future in Islamic finance careers

Currently there are some career opportunities for Islamic finance practitioners in the UK, but they are few in number. Entering the UK Islamic finance industry requires the individual to already possess the skills and experience that employers require. In practice, in the UK such skills can only be gained by working in conventional banks or providing services to conventional banks and financial institutions. Those graduates whose religious beliefs preclude them working in conventional banks or providing services to conventional banks will need to compete for training opportunities abroad or seek a career outside Islamic finance.

However as the industry grows, strengthens its infrastructures and engages with a wider audience, we will see the development of human capital becoming a vital part to advance the industry and create jobs. The UK can be a pivotal part of that growth through exporting training and education, providing competently qualified professionals and helping to create a detailed time-specific action plan, which takes a holistic approach to the IF job market.

Footnotes:

1. The Global Religious Landscape published 18 December 2012 by the Pew Forum.
2. Estimate in "Financial globalization: Retreat or reset?" published in March 2013 by the McKinsey Global Institute.
3. Estimate of \$1.289 trillion at the end of 2011 in "Islamic Finance" published in March 2012 by the UK Islamic Finance Secretariat. I have uplifted that figure by 15% which for many years has been the average growth rate for Islamic finance to ensure that the conventional and Islamic figures are taken at comparable dates.

Middle East

Human Resources in Islamic Finance – Barriers & Challenges

By Asim Khan



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Asim Khan, a Chartered Accountant with more than 16 years' experience, specialises in developing and monitoring Islamic financial products, structuring Islamic finance transactions, developing Shari'a compliant investment funds, establishing and monitoring processes for on-going Shari'a compliance for various Islamic products and has advised several asset and fund managers on purification strategies for non-Shari'a compliant incomes.



Khalij Islamic, set up in 2008 as a Shari'a consulting firm, has now established itself as an Islamic finance investment and advisory boutique with a presence in the United Kingdom & the United Arab Emirates. Khalij Islamic offers strategic consulting, and specialised expertise for developing, structuring, sourcing and placing bespoke Shari'a compliant financial products focusing on 'true asset' investment products as well as Islamic liquidity and risk management solutions.

The Islamic finance industry has grown at a phenomenal rate over the last decade and it is expected this trend will continue over the coming years. Whilst the commercial aspects always remain in focus, human resources is an area which is often overlooked.

This article intends to shed some light on certain barriers which discourage experienced financial professionals from entering the Islamic space and the challenges faced by the new entrants who are looking for opportunities in the Islamic financial industry, with a specific focus on the Middle East market, which continues to be one of the major hubs of Islamic finance.

Islamic market in the Middle East

With humble beginnings in mid 1970s from the Middle East, Islamic finance is now well recognised in all major financial jurisdictions, covering all financial products across all asset classes. The Middle East has played (and continues to play) a critical role in the establishment and growth of the Islamic financial industry. With oil maintaining high prices, liquidity in the region continues to increase and as Middle Eastern investors' preference is becoming Islamic; more and more seekers of financing (including sovereigns, corporates and financial institutions) are venturing into Islamic finance. Furthermore, new markets in the Middle East for example Oman are opening doors for Islamic finance and certain African countries (e.g. Libya, Nigeria etc.) are looking at the Middle East to help them develop Islamic finance in their respective countries.

These developments are welcome news for potential new entrants who are looking into opportunities in Islamic finance, as these opportunities are not expected to be limited only to the Shari'a structuring element, but will look for resources across all aspects of Islamic transactions (e.g. accounting, legal, credit, tax, risk etc.).

Barriers

Similar to any other sectors, it is important to bring new blood into the Islamic finance industry, as it enables fresh perspectives and innovative ideas. Although it is vital for the growth of the Islamic financial industry to have new entrants, it is also critical for a fledgling industry to have experienced professionals from the conventional side of the market to provide their experience and expertise. Certain experienced professionals have concerns which deter them from entering Islamic finance. Some of these concerns include the following:

a) There is a difference of opinion between Shari'a scholars

Difference of opinions is part and parcel of practical life. For instance lawyers may produce differing opinions on legal interpretations of a particular matter. When it comes to Islamic finance, differences of opinion between Shari'a scholars should not be frowned upon, but in-fact seen in the same vein as legal interpretations by conventional lawyers and thus not unique to Islamic finance.

b) There is no difference between Islamic and conventional banking, they are both the same thing but in a different "package"

Islamic finance derives its principles from Shari'a and Shari'a encourages trade, which not only benefits the trader but creates opportunities for the wider community. Islamic finance accepts that these trades may require external funding and hence the concept of financing is not alien to Islamic finance. Therefore, from an Islamic finance perspective, the issue is not with the concept of financing or the end result of a financing transaction, but with the way the end result is achieved. In summary, for an Islamic transaction the end result may be the same as a conventional transaction but the way that result is derived makes the transaction Shari'a compliant – i.e. the end does not justify the means.

c) Conventional players are the ones participating in Islamic transactions

Contrary to certain misconceptions, Islamic finance is open for all and not limited to Muslims only. The key aspect to note is that Islamic finance is focused on a transaction rather than counterparties (except where the transaction relates to investment in equity of a company). Conventional investors, like any investors are value seekers and if they find the transaction to be economically attractive, they will invest in it.

d) Everyone claims to be an 'expert' on Shari'a matters

Being a Muslim does not automatically make one an expert in Shari'a or a Shari'a scholar, neither does being a Muslim with financial services background make one an Islamic finance expert. This is a specialist area and requires years of study, normally under the guidance of a learned scholar. It is appropriate to seek advice only from a qualified and experienced Shari'a scholar.

e) Islamic transactions use conventional benchmarks

Islamic finance does not consider change in time value for money, however allows using benchmarks as part of financial transactions. For example, if 10 years ago, Mr. A borrowed USD 1,000 from Mr B, in present value terms Mr. A still owes Mr. B USD 1,000. On the other hand, if Mr. A and Mr. B at the time of the transaction agreed that Mr. A is borrowing from Mr. B an amount equivalent of a particular quantity of gold, in present value terms, Mr. A owes an amount to Mr. B equivalent to that particular quantity of gold. The important thing to note in the above example is that no gold, was bought or sold, neither an investment was made in gold, however gold was used as a benchmark for the transaction. Accordingly, any benchmark can be used for Islamic transactions, which should be agreed between all parties at the inception of the transaction.

Challenges

Although, the Islamic finance industry continues to show growth, the new entrants are still struggling to find opportunities within the Islamic finance space. The key challenges faced by new entrants include:

a) Financial crisis and recession

Islamic financial industry is a part of the global financial industry, and was no way immune to the recent financial crisis and recession. During this crisis and subsequent recession, financial institutions (both Islamic and conventional) curtailed their operations and reduced staff numbers. This caused significant impact to new opportunities available for Islamic financial professionals.

In recent months, the financial markets are showing indications of recovery which, if continues, is expected to create new opportunities in Islamic finance. With new markets in Middle Eastern and African countries (with support from the Middle East), it is expected that the GCC region will be able to provide ample opportunities for new entrants.

b) Qualifications in Islamic finance

From an educational qualifications perspective, Islamic finance is a unique industry. The current Islamic financial industry has been operating for more than three decades; however formal educational qualifications in Islamic finance have been made widely available only over the last decade. This has caused a unique situation where most senior Islamic finance professionals do not have any Islamic finance qualifications, thus creating some confusion among new entrants, who believe no formal qualification is required to operate within this space. Although it is true that no formal qualification is required to work in Islamic finance, however, based on current market expectations, a formal qualification in Islamic finance is becoming a pre-requisite for new entrants. This not only provides the new entrants a basic knowledge of Islamic finance, but it also demonstrates their ambition to work within the sector.

c) Knowledge of conventional finance

As Islamic finance is a subset of the global financial industry, the importance of knowledge of conventional finance cannot be ignored. It is worth noting that the approach towards analysing and assessing a transaction (whether Islamic or conventional) is the same. Furthermore, most of the financial institutions which are stepping into Islamic finance, are either conventional or their management team consist of conventional bankers, hence they still 'talk' in conventional language while discussing Islamic financial products.

d) Language barrier

In Islamic financial industry, the importance of the Arabic language cannot be ignored. It is not only the language of the Quran, but it is also the language which is predominantly used for communication between the Shari'a scholars. Furthermore, all key research material on the Shari'a interpretation of financial transactions is also in Arabic. It is important, both for existing Islamic finance professionals and new entrants, who are looking to get into the Islamic space, to increase their proficiency in Arabic, preferable in all aspects of speaking, reading and writing.

In the Middle Eastern Islamic markets, although the business language remains English, potential new entrants with a proficiency in both Arabic and English will have a substantial edge over their competitors.

Conclusion

As the Islamic financial industry continues to grow, it will continue to require human resources to fulfil its needs. This would not only present opportunities for potential new entrants, it will continue to challenge the existing Islamic finance professionals to keep up with the needs and requirements of the industry.



Malaysia

A Hotbed for Home-Grown Talent

By Nazneen Halim



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Nazneen Halim is the editor of Islamic Finance news, a global platform for knowledge and information in the Islamic finance industry. Throughout her seven years at the publication, Nazneen has had the opportunity for international travel, interviewing the most prominent Islamic banking and finance players as well as Shari'a scholars. Her work has also been cited in books and academic journals on Islamic finance, and she is well-known among industry peers. Nazneen offers a fresh and insightful perspective on the Islamic banking and finance industry. She studied Environmental Management at Monash University.

Islamic Finance news

Established in 2004, Islamic Finance news covers all realms of Islamic finance, providing professionals around the globe with a vehicle to educate and understand the market, the players, the individuals and perhaps more importantly, the benefits over, and comparisons with the conventional banking system. Published every Wednesday, Islamic Finance news is Malaysia's leading, e-newsletter providing over 22,500 individuals with unrivaled editorial coverage of the global Islamic financing market. With more than 35,000 exclusive editorial pieces, IFN on-line includes news articles, reports, interviews and case studies.

The quest for talent in the Islamic banking and finance sphere in Malaysia and abroad is intensifying as the sector achieves recognition and traction on a global scale. This piece will explore the issue of human capital development in Malaysia and its impact across the board.

Malaysia, being one of the oldest and most sophisticated jurisdictions for Islamic finance has seen its home-grown talent, over the years, being snapped up by the most influential and significant Islamic banks and financial institutions, education providers and regulatory bodies. Across the globe, Malaysia-based and locally trained legal experts, bankers and academics have gained recognition as one of the best in the business. This, according to Daud Vicary Abdullah, CEO at the International Centre for Education in Islamic Finance (INCEIF) is testament to the high regard in which Malaysian standards are held around the world. And of course, without the proper education, there will be no quality in the talent that this developing country produces.

According to data by the Malaysia International Islamic Financial Centre (MIFC), Malaysia is currently home to 20 public universities—two of which are Islamic universities, 21 private universities, five foreign university branch campuses, and more than 400 other higher education institutions. Six institutions of higher learning across Malaysia currently offer undergraduate and post-graduate in finance with a specialisation in Islamic finance, while several learning institutions offer a wide range of Islamic finance training programmes to develop Islamic finance professionals and encourage thought leadership in the sector. The Malaysian government and Malaysia-based educational institutions have also been called upon by tertiary and post-graduate learning institutions in various countries to establish Islamic finance educational programmes.

Although at present, the figures in the market are still vague, it is anticipated that by the year 2015, over 50,000 individuals will be needed in the Islamic banking and finance sector to plug the global talent gap. Malaysia alone, says the MIFC is expected to provide job opportunities for up to 12,000 practitioners in the sector over the course of the next few years. Recognising this, the Malaysian government has been actively involved in human capital development initiatives for Islamic banking and finance, and is currently the only country in the Asia Pacific region to afford such initiatives.

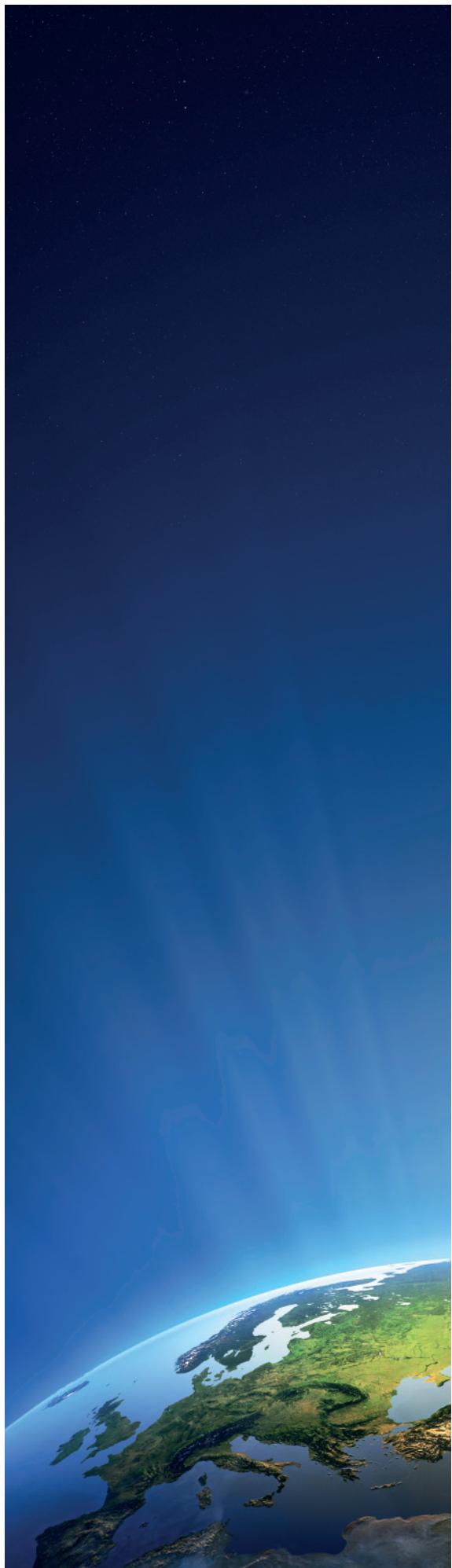
'By the year 2015, over 50,000 individuals will be needed in the Islamic banking and finance sector to plug the global talent gap'

Among the initiatives that the government has laid out include: tax incentives for talent enrichment; an endowment fund worth US\$62.5 million that was established to fund the enhancement of knowledge, research, talent and intellectual discourse in Islamic finance; and supportive immigration policies that encourage expatriates to participate in Malaysia's Islamic financial industry, says the MIFC.

INCEIF, an example of a government initiative, spearheaded by the Malaysian central bank- Bank Negara Malaysia, has become an education centre of choice for candidates seeking an education in the Islamic finance sector. This is perhaps due to its amalgamation of practical and theoretical knowledge- a combination of skill sets which is much needed in this burgeoning sector. Commenting on this, Daud Vicary says: "A combination of both practical and theoretical knowledge is an important blend- you really can't have one without the other. And I think as we move into a different phase in human capital development for Islamic finance, there is a growing realisation that industry itself needs to set its own professional standards for what it's expecting at different levels- be it the entry level, intermediate, advanced level, or in professional development. We are now seeing encouraging signs of that starting to happen, but the industry itself needs to set its own professional standards."

According to Daud, global players are also starting to look to Malaysia as a point of accreditation, which again bears testament to the quality of talent that the country has produced. "Some of the courses being provided by outfits outside of Malaysia such as the IFQ qualification have already applied for accreditation from the Financial Accreditation Agency (FAA) in Malaysia. This is an indication of two things: the high regard that Malaysian standards are held across the world, and a recognition by the industry that we need to have interoperability of human resources by setting professional standards." INCEIF has also been approached by regulators in the UAE, Oman, Turkey and the Islamic finance task force in the UK to provide advice on Islamic finance qualifications and the development of human capital.

With a head start in the Islamic banking and finance landscape, Malaysia is also fast becoming a focal point for education in the sector, which at the end of the day, lays down the foundation for a working and sustainable industry.



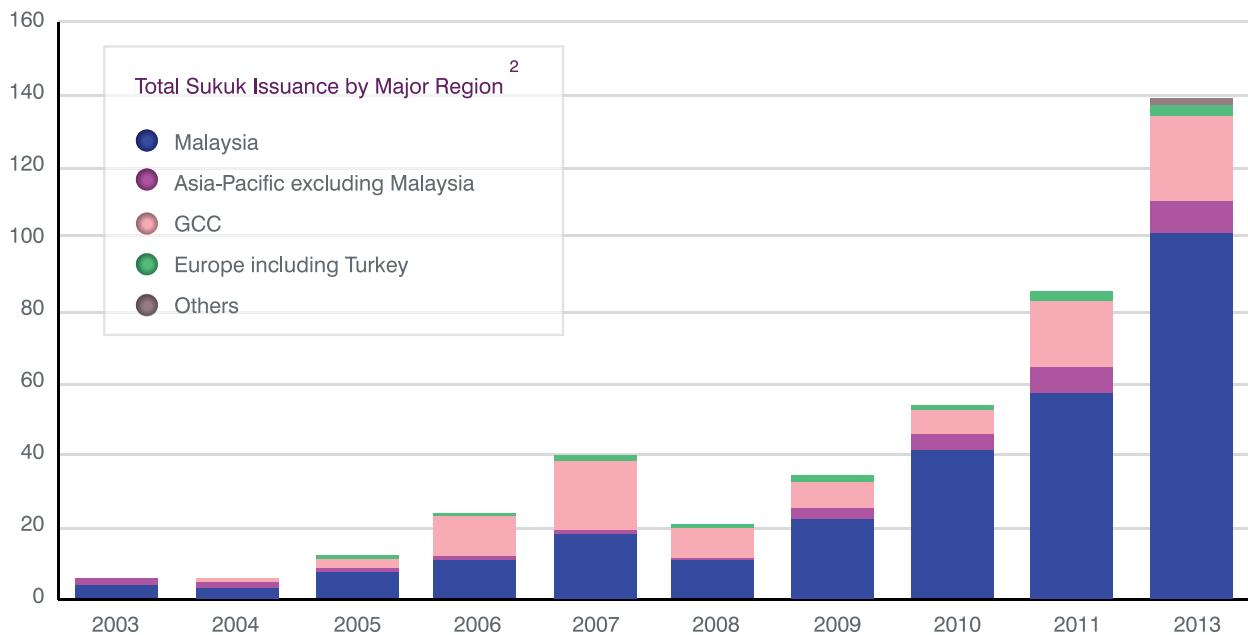


Islamic Finance - Key Job Disciplines

- Corporate Islamic Finance**
- Retail Banking**
- Legal**
- Wealth Management**
- Asset Management**
- Opportunities for Women in
Islamic Finance**

The Sukuk market is forecasted to grow three-fold from US\$300 billion to US\$900 billion by 2017.¹

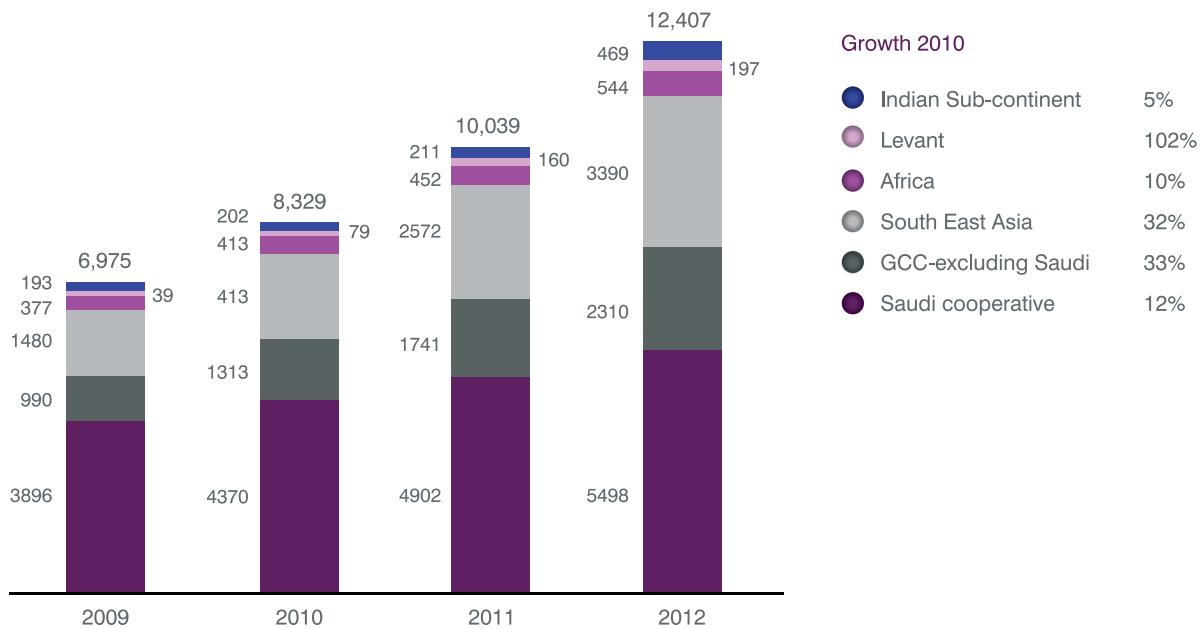
(Bil. \$) Total Sukuk Issuance by Major Region



¹ Source: EY's Global Islamic Banking Center of Excellence

² Source: Standard & Poor's "Investor Appetite Is Pushing Sukuk Into The Mainstream" (2013)

Forecasts for Global Gross Takaful Contributions - including Cooperatives (US\$m)³



³ Source: World Islamic Insurance Directory 2012, Takaful Re Limited, Ernst & Young analysis



Corporate Islamic Finance

The Changing Face of Islamic Finance

By Humphrey Percy



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Humphrey Percy joined BLME as Chief Executive Officer in August 2006. With more than 30 years of international banking experience, he has worked at J. Henry Schroder Wagg, Barclays Merchant Bank (later Barclays de Zoete Wedd / BZW) and WestLB where he held positions including CEO, Managing Director, General Manager, and Head of Global Financial Markets. Humphrey is experienced in building new functions and product areas, and has managed a number of global businesses within both Barclays and WestLB as well as founding his own business in 2002 where he remains non-executive Chairman.



Bank of London and The Middle East ("BLME") is an independent UK, wholesale Shari'a compliant bank based in London. BLME received FSA (Financial Services Authority) authorisation in July 2007 and is the largest Islamic bank in Europe. It is led by a management team that brings together a combination of experienced international bankers and leading experts in Islamic finance. The core divisions that make up BLME's competitive offering are Corporate Banking, Treasury and Wealth Management comprising of Private Banking and Asset Management.

Attracting the best talent is just as important to Islamic banks as it is to any business. In recent years UK Islamic banks have started to directly compete with conventional banks as Islamic finance becomes more mainstream. Islamic banks are now offering similar products and services to their conventional counterparts and to compete in these fields it requires intelligent hiring.

There is no better example of how Islamic finance is competing with conventional banks than the fact that the majority of BLME's corporate banking clients are non-Muslim. These customers are attracted to the Bank because of the quality and range of the competitive products and services that BLME provides and not only because it is a Shari'a-compliant institution which is of course positive in today's market place given the move toward ethical finance generally.

By offering products and services that are similar to conventional banks but Shari'a compliant, it is not an option for banks like BLME to only hire specialists in Islamic finance. Instead BLME focuses on recruiting effective, informed conventional practitioners, who can be specifically trained in Islamic finance.

It is important to BLME that it is understood as a bank which offers the same products as any other corporate banking provider, but with the key difference being that BLME is an institution underpinned by ethical principles. To a customer who is not aware of the principles that an Islamic bank operates under this means that BLME cannot and will not become involved in so called 'casino banking' activities such as leveraged proprietary trading. This approach has helped BLME become the largest Islamic bank in Europe and one of the most active lenders to UK mid-market businesses. Since receiving FSA authorisation in 2007 BLME's balance sheet is now in excess of £1bn.

'The lack of a large Islamic finance talent pool becomes particularly apparent for banks that offer as many different products and services as BLME does'

So what kind of people does BLME hire?

Given the fact that BLME offers products and services that are similar to traditional banks and the global talent pool in Europe for Islamic specialists is small, it is no surprise that the majority of our hires have come from the world of conventional finance. The lack of a large Islamic finance talent pool becomes particularly apparent for banks that offer as many different products and services as BLME does.

Very few financial organisations in the world, let alone those in the UK, offer the breadth of Shari'a products that BLME does within its corporate banking division. In September 2012 the most recent department in BLME's corporate banking offering was launched, Acquisition Finance. This means the Bank now has a product suite that covers the full range for the UK mid-market, adding to the Bank's existing coverage of leasing, property, trade finance and ABL finance. It is not realistic to expect a plethora of Islamic finance-trained specialists for each business line given that BLME is one of the very few organisations to provide these services.

It has been more effective and efficient for BLME to recruit staff that possess direct experience in a specific business area and/or product and then train them in the nuances and subtleties of Islamic finance.

New staff is aided by BLME's in-house lawyer, who provides guidance on Shari'a compliant structures and activities, but staff is encouraged to study for an Islamic finance qualification. For example, all three of BLME's executive Directors have taken and passed the Chartered Institute for Securities and Investments (CISI) Islamic Finance Qualification (IFQ), which provides an excellent grounding in Shari'a finance principles.

The importance of human capital to BLME and the ability to hire the right people are reflected in the wide range of business that form BLME's client base.

First, BLME has a centralised and responsive decision making process. Secondly, the bank does not employ business development executives so teams remain with a transaction from origination through documentation to repayment or refinancing. Finally, BLME's financing facilities tend to be tailored since the bank does not have standard product parameter but offers solutions that are tailored to individual business requirements. Having teams full of qualified and experienced staff allows us to provide this 'bespoke' service offering.

However, it would be misleading to say that BLME only recruits staff from the conventional market. BLME has recruited a number of important senior team members that have extensive experience in Islamic finance, including a Shari'a advisor who provides advice and support to staff and reviews all of our agreements and activities. All our new products are signed off by the bank's Shari'a Supervisory Board and they complete an annual audit of our business activities and operations. Encouragingly, we also get a lot of enquiries from graduates in Islamic finance; however, while being a good route to gaining a solid foundation for a career in Islamic finance, more than a purely academic background is necessary to be successful in a bank given the competitive nature of the market place.

What is important, particularly when working for a division that provides finance to the conventional business world, is that every member of staff possess a firm understanding of all finance products and the local regulatory and legal frameworks. Most Islamic finance qualifications only cover the conventional financial world briefly and this is a big hurdle for the industry to overcome. At BLME we believe that the challenge can be met. The specialist human capital and the number of conventional finance staff that also possess knowledge of Islamic finance will only grow as the depth of the industry increases and places a larger role in Western economies.





Retail Banking

Careers in Retail Banking

By Sultan Choudhury



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Sultan Choudhury is a member of various community and Government advisory groups and has contributed significantly to the development of Islamic Financial Services in the UK. As a committee member of UKIFS (UK Islamic Finance Secretariat), a body promoting the UK Islamic Finance industry, he is responsible for the retail domestic market. Mr Choudhury, also holds a MBA from the University of Aston and is a Chartered Member of the Chartered Institute for Securities and Investment (for whom he sits on the Employer Panel for the Islamic Finance Qualification).



Islamic Bank of Britain plc (IBB) has pioneered Shari'a compliant retail banking in the UK and now offers the largest range of Shari'a compliant retail financial products in Britain. These include Shari'a compliant mortgage alternatives, the Home Purchase Plan (HPP) and Buy to Let Purchase Plan (BTLPP), current accounts and savings accounts. The Bank was also the first to introduce Shari'a compliant business banking to the UK, and now offers a wide range of institutional and business banking products and services, including Commercial Property Finance. Several of the Bank's products remain unique to the UK retail financial market. IBB welcomes customers of all faiths, looking for a bank with a transparent, prudent and community-focused approach.

A thriving UK industry

In 2014 Islamic Bank of Britain (IBB) will celebrate 10 years of providing Shari'a compliant retail financial products to UK consumers. Hailed as the pioneer of British Islamic banking, IBB has become a flagship institution for the British Islamic finance industry and it remains unrivalled as the UK's only wholly Shari'a compliant retail Islamic bank. With a staff of 120, IBB has attracted over 50,000 customers and currently offers the widest range of Shari'a compliant financial products in the UK.

IBB's achievements are part of a bigger success story for the UK which is considered the leading Western country and Europe's premier centre for Islamic finance. According to the 2012 Islamic Finance report from the UK Islamic Finance Secretariat (UKIFS), the UK Islamic finance industry consists of 22 banks. Five of these are wholly Shari'a compliant banks.

Islamic finance has also played a key role in major infrastructure projects in the UK such as the 'Shard', redevelopment of the Chelsea Barracks and the development of the Battersea Power Station. The industry's success is set to continue with the recent formation of a Ministerial Task Force for Islamic finance. The aim of the Taskforce is to promote London as a leading financial centre and to attract inward investment.

Career opportunities

As the spotlight brightens over the UK Islamic finance industry, the sector is becoming increasingly popular amongst graduates and experienced professionals alike. The appeal of joining a fast-growing, emerging market is attracting candidates wishing to establish their careers in an industry that is witnessing rapid expansion both in the UK and at a global level. This is being fuelled by a growing number of UK-based Islamic finance courses offering graduates and professionals the ability to specialise in the area.

Similarly, IBB, as the UK's only wholly Shari'a compliant retail bank, is also drawing a great deal of interest amongst candidates looking to join an industry leader in order to develop their career and skills. However, the challenges that the industry faces as a whole also apply to IBB. The biggest of these is a shortage of personnel with technical experience - individuals with a thorough understanding of Shari'a and its application for financial products.

Whilst there is a lack of Islamic banking and finance professionals with hands-on experience, there are a large number of graduates and post-graduates with Islamic finance qualifications. However, the UK industry, and indeed IBB, is relatively small so there are insufficient roles to fulfil the demand from trainees to enter the profession and develop their skills.

Growing Islamic finance organisations like IBB require staff experienced in sales, marketing, product development, branch management, risk, compliance and so on. When professionals experienced in these areas are hired there may be a gap in their knowledge in the area of Shari'a finance. In IBB's case this is addressed through in-house training consisting of tailored courses, mentoring and on-the-job training. Management are also required to study and pass the IFQ (Islamic Finance Qualification) from the Chartered Institute of Securities & Investments.

For its dedicated Shari'a compliance personnel, those that are directly involved in the Bank's work to ensure that its products, services and operations are genuinely Shari'a compliant, IBB works with highly trained experts. Its Shari'a Supervisory Committee, for example, consists of scholars renowned for their qualifications, expertise and long standing experience in both Shari'a law and its application in Islamic finance. IBB's Shari'a Compliance Officer (SCO) is also a member of the Accounting and Auditing Organisation for Islamic Financial Institutions (AAOFI) as a Certified Shari'a Advisor and Auditor. Comparable to the Associate of the Institute of Chartered Accountants in England and Wales (ACA) qualification, IBB's SCO's has the highest international authority to advise Shari'a compliant financial institutions on Shari'a compliance and product development.

Developing a career path

Speaking from my own experience, my career path into Islamic finance developed via my technical expertise as an accounting professional. I always had an academic interest in Islamic finance since reading Economics at the University of Nottingham in the early 1990's. After qualifying as a Chartered Accountant at Deloitte, I moved into the financial services sector and held senior operational roles at Charles Schwab Europe and Barclays Private Bank. This helped me to understand how financial services businesses operate and develop the general management skills required to set-up a business.

During this time I also read many excellent publications from the Islamic Foundation on Islamic Economics. My desire to enter the field of Islamic finance crystallized when I performed Hajj in 2002.

By 2004 I was blessed with the opportunity to join the founding management team brought together to set-up the first dedicated Islamic bank in the West, the Islamic Bank of Britain (IBB). I oversaw the set-up of IBB's Head Office Operations and Branch Network. I have since led the development and implementation of IBB's full product range and service delivery channels. I have now been at Islamic Bank of Britain for over 9 years and am enjoying my current role in leading the bank towards profitable growth.

For individuals looking to develop their career in the Islamic finance industry, therefore, technical experience in a particular area, such as business development, risk or compliance is their most powerful weapon. Possessing a set of specific skills that can be applied to an Islamic finance organisation offers a potential employer the ability to utilise those skills in a way that will help them to achieve their business objectives.

However, this does not rule out individuals at the beginning of their careers, looking to develop their professional future in the Islamic finance industry. It simply requires that they take a flexible approach and develop a long-term route in order to realise their goals.





Legal

The Potential for Young UK Qualified Lawyers

By Richard de Belder



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Richard de Belder is a partner with the international law firm, Dentons, where he heads up the global co-ordination of the Islamic finance practice. He has been involved in the Middle East since 1979 and has spent over twenty years living and working in the region. Richard has worked on a wide range of Shari'a-compliant transactions since the late 1990's, working closely with Shari'a scholars to create ground-breaking structures and solutions. He is one of the seven non-ministerial members of the UK Government's Islamic Finance Task Force that was formed in March 2013 and currently chairs the Legal Group of the UK Islamic Finance Secretariat (UKIFS) of TheCityUK. Richard has been voted a leading Islamic finance lawyer, most recently, Islamic Finance Lawyer of the Year in England 2013 by Corporate International Magazine and Leading Islamic Finance Lawyer by Chambers Europe Guide 2013.

DENTONS

Dentons is a global law firm based in more than 75 locations and with 29 lawyers working in the Islamic Finance Sector. In 2012, Denton acted on behalf of Qatar International Islamic Bank (QIIB) on its first international debt capital markets issuance. Their areas of expertise in Islamic Finance include: Syndicated Financing, Shari'a-compliant Funds, Structured Investment Products, Islamic Project Finance, Trade Finance, Real Estate Finance, Capital Markets, Asset Finance, Aviation Finance, Tax, Regulatory issues relating to Islamic finance products, Transactions and Takaful.

Most Islamic finance lawyers begin as conventional banking lawyers and then, for various reasons, gravitate towards Islamic finance. The reason most lawyers start as conventional banking lawyers is the same as with bankers – the global banking system is based on conventional banking and so there are more vacancies in this space than in the Islamic finance sector.

Where is the demand?

Successive UK Governments have created a level playing field for Islamic finance in the UK and have encouraged Islamic finance. There are many UK based Islamic financings such as funding SMEs and various in-bound investments, which are usually real estate based and with Middle East investors. These financings are carried out by UK qualified lawyers and are subject to local law.

However, the UK, and in particular the City of London, is also where many international transactions are structured and handled, and UK based lawyers will be involved. In addition, though, many international law firms have UK qualified lawyers based overseas who undertake a lot of Islamic finance work. The Middle East is still the main region for Islamic finance and many UK Islamic finance lawyers are based there.

Over the last fifteen years syndicated financings in the Middle East (including Islamic syndicated financings) have become common-place. At first in the 1990s these were often subject to local law but now the documents (other than local security documents) are usually made subject to English law. This has also happened with Sukuk.

So, against this backdrop, the demand for Islamic finance lawyers trained in UK (and in particular English law) has grown and is likely to grow.

Skills

A successful Islamic finance lawyer must understand relevant Shari'a issues. There are various ways to get this knowledge although most lawyers have done so in a piece-meal manner. In the 1990s publications on Islamic finance were mainly academic treatises which were not very helpful in structuring new Islamic finance products so they were not only Shari'a compliant, but also worked from a legal perspective. There were also few lectures and conferences¹, although the Institute of Islamic Banking and Insurance has run lectures in London since the early 1990s.

The situation is different now for aspiring Islamic finance lawyers. There are many text books and seminars, conferences and on-line courses. It is possible to get Islamic finance qualifications.²

Many young Islamic finance lawyers are trained in-house and learn from working with experienced Islamic finance partners, as well as inter-facing with the Shari'a advisers on particular transactions.

While many of the issues that divided the Shari'a scholars at the start of the last decade have been resolved, there are still areas where views are not settled or where the position is changing, so an Islamic finance lawyer (whether newly qualified or more senior) must be willing to learn and adapt.

Many people wanting to become involved in the Islamic finance sector believe that at the beginning of their legal career, they need to be doing Islamic finance. This is not necessarily advisable. Islamic finance documents are still finance documents and many of the issues and the contractual terms relating to Islamic finance structures and documents, are also found in conventional finance transactions.

A good Islamic finance lawyer should be able to understand the commercial aims of the parties, negotiate to find solutions to problems (which is often critical when considering the views of the Shari'a advisers), and also be able to draft clearly and concisely. Without these skills, having an interest in Islamic finance will not mean you will be a good Islamic finance lawyer.

While Islamic finance has grown, law firms still do more conventional finance than Islamic finance. So a young person will have a much better chance of finding a position if they look to get good solid experience with a law firm, even if most or all of that experience is in conventional finance. A young lawyer who has an interest in Islamic finance but who cannot draft will not endear themselves to their partner who ends up having to redraft everything! Clearly more senior lawyers will be expected to show they have solid Islamic finance experience.

To the extent that a young lawyer can take an elective module when doing a Law Degree in Islamic law³ or get some Islamic finance qualifications, this helps to show they have a serious interest in this area. There are also some lawyers who have firstly trained as Shari'a scholars before going on to train as lawyers. This is an interesting combination and, provided they get legal training with a leading law firm, this is likely to make them a valuable proposition.⁴

The future

In March 2013 the Government announced the formation of the Islamic Finance Task Force and re-iterated its support for the Islamic finance sector. It is hoped that with the world economy now improving this will encourage the growth of Islamic finance in the UK and elsewhere which, especially for international and trans-border transactions, should see an increased demand for English law capability – and in turn an increased demand for UK trained lawyers.

Just as with other areas of law, an Islamic finance lawyer will likely specialise in one or more areas. So, for example, a lawyer may gravitate towards the capital market sector and become focused on Sukuk and possibly Shari'a compliant derivatives. Others may focus on a range of areas including, for example, aviation, shipping, real estate or project finance. In the past an Islamic finance lawyer often tried to cover a range of disciplines but, as the market has become more sophisticated, Islamic finance institutions now want specialist lawyers to be involved. Overseas, however, Islamic finance lawyers often handle a broader range of transactions than in the UK.

There is a continuing debate within the Islamic finance sector whether current Islamic finance products are in keeping with the spirit of the Shari'a. A young lawyer should carefully follow this debate to understand what are the concerns and issues. They will then be better placed to help in the next development of Islamic finance products and so get a head start on those lawyers who do not make this effort.

So, in conclusion, for those UK trained lawyers who want to become involved in Islamic finance, there will be increased opportunities but, besides showing an interest in Islamic finance, they must have excellent drafting skills, a good commercial awareness and, most likely, a willingness to be posted overseas (usually in the Middle East) to further their career.

A good Islamic finance lawyer should be able to understand the commercial aims of the parties, negotiate to find solutions to problems (which is often critical when considering the views of the Shari'a advisers), and also be able to draft clearly and concisely. Without these skills, having an interest in Islamic finance will not mean you will be a good Islamic finance lawyer.

Footnotes

1. Some examples of seminar/workshop providers include Durham University, Institute of Islamic Banking and Insurance and Oxford Centre for Islamic Studies.
2. Examples of professional qualification providers include the Chartered Institute for Securities and Investment (which offers the Islamic Finance Qualification) and the Chartered Institute of Management Accountants.
3. Examples would include Law Degrees offered by SOAS, University of East London, University of Warwick, City University London and Hull University.
4. The Islamic Finance Council offers training to Shari'a scholars and some of its courses cover legal and documentation issues.



Wealth Management

A Career in Islamic Finance with a focus on Wealth Management

By Faizal Karbani



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At the forefront of the development of Islamic finance in the UK, Faizal Karbani is the CEO & founder of the UK's only national firm to be exclusively dedicated to Shari'a Compliant Independent Financial Advice. He offers expert assistance and planning for Shari'a-compliant products and services, along with Islamic Finance Training & Education. A qualified Chartered Accountant, Faizal has a profound understanding of developing client portfolios and providing sound financial guidance. A proficient speaker on the IF circuit, Faizal has also delivered presentations, seminars and lectures on issues ranging from Riba, the Islamic economic system, IF & the Credit Crunch, Islamic Wills and Zakat. Faizal is an approved training provider of the IFQ and a prominent member of UK Islamic Finance Secretariat (UKIFS).



**SIMPLY
SHARIA**
wealth management

Simply Sharia Wealth Management (SSWM) is an independent financial advisory firm solely dedicated to offering Shari'a compliant financial solutions. Authorised and regulated by the Financial Conduct Authority (FCA), SSWM offers Investment Planning and advice, Pensions & Retirement Planning, Islamic Wills & Inheritance Tax planning and Corporate Financial Planning, including establishing Shari'a compliant pension schemes for employers.

A career in Islamic finance has many potential attractions; these include:

- A global industry with significant growth potential
- Opportunity to work in exciting parts of the world such as the UAE, Qatar and Malaysia
- The industry is underpinned by considerable wealth from Muslim nations; 10 out of the fastest growing 24 economies in the world have significant Muslim populations
- Appeals to many from a faith and/or ethical perspective

Indeed, many of the factors cited above fuelled my own desire to work in the sector. Almost a decade ago, I was at a careers crossroad. Having worked in the corporate world (PwC and GlaxoSmithKline), I was exploring options and came across a firm of Independent Financial Advisers, 1st Ethical, that specialised in providing Shari'a compliant financial advice. When I joined the company in 2005, Islamic finance in the UK was very much in its infancy but the service provided by 1st Ethical and similar firms resonated with me as something that was needed, a real growth opportunity and the most appealing of all, for me, a field aligned to my faith and values as a Muslim.

Looking back and even at the time, this was a huge risk – I left a stable, well paid job as a senior accountant in a blue chip company to work in a new emerging market as a financial adviser (a new profession) on pretty much a commission basis. I mention this because many of the established professionals I know in Islamic finance, today, did and have taken considerable risks and/or made significant sacrifices to break into the sector. Many took a pay cut and have taken moves to increase their knowledge and exposure in the sector at the expense of climbing the career ladder within conventional finance. This is not a prerequisite to enter Islamic finance, but often for the sake of long term progress, entrants need to invest in the skills and experience in the short term and take measured risks.

Islamic finance wealth management is a good and fertile part of the industry. In a broad sense the sector refers to a service aimed at helping individuals or organisations manage their wealth in the most efficient and effective way with respect to their personal goals and objectives. Islam has set doctrine in relation to wealth and asserts comprehensive guidance with respect to earning wealth, the rights of others on your wealth and how wealth should be distributed on one's death. In other words the Islamic teachings are holistic in nature, which lends itself well to a holistic approach to wealth management.

To illustrate, Simply Sharia's approach to wealth management, is built on the following approach:

- Firstly advising clients on those matters which are obligatory to comply with in the Islamic faith, what we call the "Shari'a essentials ", namely:
 1. Make an effort to come out of interest based transactions
 2. Calculating and paying the obligatory charity every year (Zakat)
 3. Have a Will which will ensure distribution of your estate in accordance with Shari'a on death
- We then build on this, by reference to the Islamic value that the wealth we are blessed with, we have a responsibility to use it in a permissible, constructive, beneficial and product way and not to be wasteful, hoard or be irresponsible. To that end we advise clients on saving and investing their money in a shari'a compliant way, retirement planning and in general helping them achieve their goals such as buying a home, funding University fees, going for Hajj etc.
- We provide a service whereby we help clients calculate their Zakat obligations every year
- We also provide a service advising on having a legally binding Will which allows distribution of the estate on death in line with the Shari'a and is tax efficient

As you can see our approach to wealth management is tailored to directly correlate with the holistic guidance of the Islamic faith and I believe such a wealth management service has huge global potential. I also believe that it is positive that the wealth management sector can function outside of the banking sector, as there is much debate about the fit of the banking sector with Islamic finance given its connection with fractional reserve banking. So for those seeking a career path within Islamic finance wealth management has a natural fit with the sector and in my view is a good part of the industry to get into.

So what makes a good wealth manager in the Islamic finance space? What are prospective employers looking for?

At its core, the skills a conventional wealth management practice would look for are the same as what an Islamic wealth management practice would seek; namely the requisite technical knowledge and qualifications, good interpersonal skills, a good network helps, efficiency, professionalism, an excellent aptitude to develop business, integrity, the drive to deliver and tenacity.

The common thread across all disciplines within Islamic finance is that those seeking to enter the industry need to aspire to the same standards of competency and professionalism found in conventional finance or other established professions. Indeed, being trained by a reputable and professional non Islamic finance entity is often seen as a positive from a prospective recruiter, providing them with confidence that such an individual will meet the quality standards they are looking for.

In addition entrants to Islamic wealth management should have a good grasp of the key principles, structures and values underpinning Islamic finance. To this end, I would recommend undertaking study of a foundation level qualification such as the Islamic Finance Qualification (IFQ) from the Chartered Institute of Securities & Investment (CISI) or the CIMA course on Islamic finance. Not only will this equip you with the knowledge required but increase your marketability by having attained a well recognised qualification.

It is noteworthy to point out that Islamic wealth management has a better and wider appeal where the potential market size is larger and not as niche. At Simply Sharia Wealth Management - a UK, FCA regulated wealth management practice - our core audience are those living in Britain. By definition, we are targeting a niche market, which is not always an easy task. Countries like Malaysia, UAE, Bahrain and Qatar have majority Muslim populations and therefore the market fundamentals are much stronger, offering bigger and better opportunities for wealth managers. This is an important factor to take into account when looking at a career within the Islamic wealth management sector.

Prospective entrants to Islamic wealth management should be encouraged by the fact that this area of IF has great potential, marked by a growing Muslim population and Muslim wealth. In reality, to be a good wealth manager in Islamic finance, the skill set required is little different to conventional wealth management, with the exception of acquiring key fundamental knowledge of Islamic finance.

'Our approach to wealth management is tailored to directly correlate with the holistic guidance of the Islamic faith and I believe such a wealth management service has huge global potential'



Asset Management

A Recruits Guide into Islamic Asset Management

By Lawrie Chandler



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Lawrie Chandler is a Director with Emirates NBD in London. An experienced individual in distribution and investment marketing, with a wide range of knowledge on investment funds, Islamic investments and wealth management both in the UK and offshore, Lawrie has lead wholesale and retail distribution in Europe, Africa and Latin America. Developing institutional mandates, he has worked in portfolio management and fund selection.



EmiratesNBD is the largest banking group in the Middle East in terms of assets. Formed in 2007, the Group has operations in the UAE, the Kingdom of Saudi Arabia, Qatar, the United Kingdom and Jersey (Channel Islands), and representative offices in India, Iran and Singapore. The Group delivers value across corporate, retail, Islamic and investment banking throughout the Gulf Cooperation Council (GCC) region, while employing more than 8,000 people from over 50 nationalities.

Opportunity for Islamic Asset Management

Slow economic recovery and uncertainty could be an opportunity for Islamic Asset Management to develop a deeper and wider footprint, encouraging new recruits. For such recruits it is vital to understand how this area of Islamic finance works.

Developed markets are facing indebtedness, lack of growth catalysts across their economies and no other alternative than slower austerity. Even emerging market prospects are slowing and securities are more expensive nowadays than in the past so confidence in Asia is falling. The lack of attraction of traditional solutions should benefit Shari'a compliant solutions. The scale of subscriptions for sukuk in recent years is a demonstration of the appetite for secure credits and an area that is demonstrating local drivers of growth should be an interesting financial sector professionals increasingly look towards, for growth and careers.

Current global imbalances stemming from the euro crisis, drop of asset prices in Asia - as the effects of tapering quantitative easing weigh on sentiment - and a stuttering/weak recovery in many economies are creating headaches for those seeking growth opportunities in financial services.

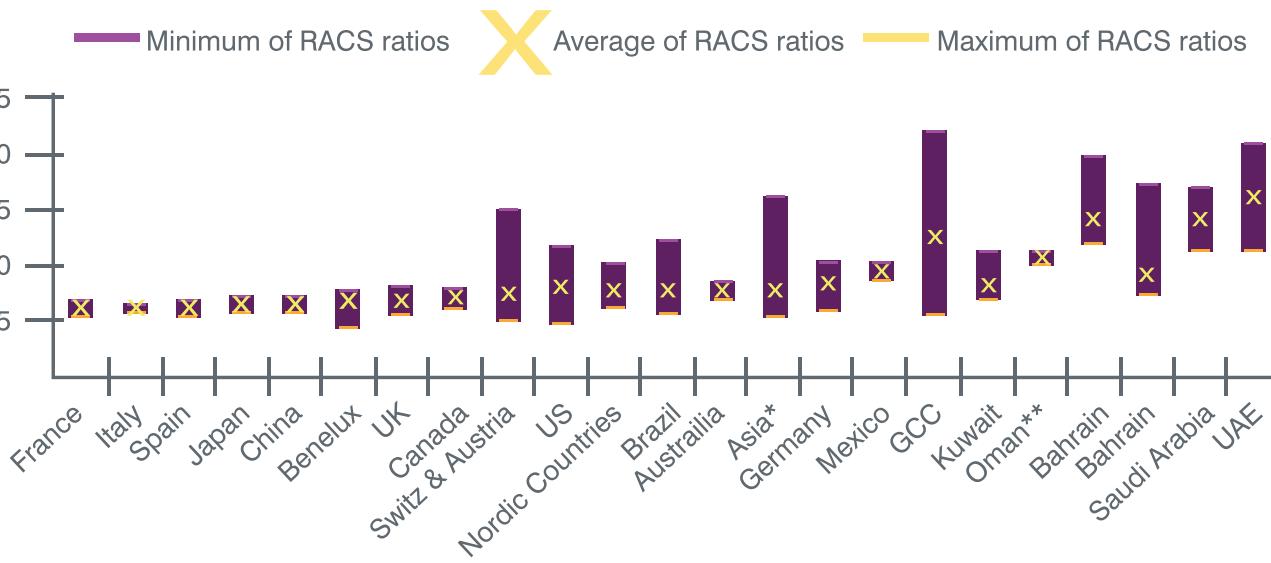
The challenges for business builders rises further when considering fair valuations, shifting earnings forecasts and record yield lows. The low relative base of Islamic finance compared to conventional finance and the financial strength of Islamic institutions and low penetration levels of Islamic finance, provide great growth opportunities. For example, one statistic says only 2% of Muslim wealth is managed in a Shari'a compliant manner. A recruit who understands this market and takes advantage of the changes, will be ahead of the curve.

Local strength

Looking at some important fundamental data shows a positive signal for the Middle East, a major centre for Islamic finance. A recurring worry for many investors has been bank strength and liquidity. The table on the following page is an extract from an analysis from Standard and Poor's, demonstrating that Middle East banks are better capitalized than other regions. Standard & Poor's Risk-Adjusted Capital Framework (RAC) ratio provides a globally consistent and independent view of capital adequacy for rated financial institutions. The average RAC ratio for Middle East banks is in the 12%-13% region as of 31 December 2011. This is 5% higher than the 7.4% S&P projected for the 100 largest rated banks as of 30 September 2011. Stronger counterparties is one pillar supporting Islamic finance growth and will gain attention of international investors wanting the best professional advice from the best people.

'One statistic says only 2% of Muslim wealth is managed in a Shari'a compliant manner. A recruit who understands this market and takes advantage of the changes, will be ahead of the curve'

Figure 1



Equities have not seen the same level of excitement as bonds despite companies experiencing growth, positive corporate health and having undemanding valuations. A return of a risk appetite and confidence is needed for equities to build on the current strong foundations.

On balance we believe there is a good growth opportunity for Islamic finance out of the Middle East as conventional finance rebuilds client trust and establishes new capital rules and regulation. The headwinds for conventional finance following the financial crisis create a window of opportunity to develop quickly and recruit new professionals and establish new markets.

For individuals considering Islamic Asset Management as a career, they must understand the cornerstone concepts and attain knowledge on conventional finance marketing, distribution and client services. These are transferable skills that can support career development for those considering a step into Islamic finance as new recruits.

Developing an Islamic Asset Management

Islamic Asset Management is younger than Islamic lending and capital markets products. Over 70% of Islamic fund managers have under US\$100 million in assets under management. Typically there are three types of Islamic fund manager: Large manufacturer distributors, mainstream investment house and investment boutique. The major manufacturer/distributor businesses often have a sales channel with a captive demand for Islamic products, for example Middle East banks who may own an Islamic banking unit. The mainstream fund houses often ensure they have a product to cover every segment of the market they service, hence include a Shari'a compliant fund in their suite, typically this is an equity solution. The demand for Islamic wealth management has supported the growth of innovative investment boutiques that offer best in class Shari'a compliant funds. These groups often link with a manufacturer/distributor to reach clients or have a relationship with financial planners or wealth advisers to reach the client base. In some instances the investment boutique may reaches clients through in-house client advisers. The most complex part of Islamic asset management is how to reach and service the client, this can be simple where the client is an institution or gatekeeper of wealth but more difficult when the client is a group of individuals with their own needs, goals and dispersed across a wide area.

Islamic Asset Management has many local models of operation depending on the country of operation. Local regulations on promotion and financial planning mean no one solution fits all.

This has necessitated operating unique client servicing models and operation. The target market for Islamic asset managers can be easily indentified in business planning but the methods to reach and service them is still developing, this is a rich opportunity many new professionals and groups entering into Islamic asset management are looking to solve.

The growth of Islamic finance will support the development of Shari'a compliant funds though the largest growth will come from successfully designing a strategy to reach clients with a good product, competitive pricing, best in class service and proficient people.

Figure 1 : Standard and Poor's analysis. As at Sept 11. *excludes China and Japan.
** The only Oman-based bank S&P rate is BancMuscat SAOG which accounts for 40% of the banking system. GCC = Gulf Cooperation Council.

Opportunities For Women

Closing the Gender Gap

By Samina Akram



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Samina Akram is the MD for Samak Consultants LLP, an independent, international Islamic and ethical finance consultancy based in London. With a wealth of experience in the banking, industry, specialising in the field of Islamic finance, Samina has worked for investment, private & commercial banks across a range of disciplines over the past decade. From 2005-2009, Samina was at Merrill Lynch International Bank where she was instrumental in heading up the growth and expansion of their Islamic finance business division. In April 2009, Samina decided to branch out as an independent Islamic finance consultant. She is a recipient of the United Nation's Women's Federation for World Peace award. Most recently she has been recognised by Islamic finance review ISFIRE as being among the 20 most distinguished women in Islamic finance globally; with a number five ranking'. Samina has read Philosophy and holds a Masters degree in Psychology of Religion from Heythrop College, University of London.

Samak Consultants LLP

Creating Islamic Finance Business Opportunities

In a highly complex and ever changing global economy, it is no secret that it is becoming increasingly difficult for firms to attract and retain the best talent. Islamic finance is no different from any other sector. In fact the industry suffers deeply from a shortage of qualified, competent individuals. Stella Cox, Managing Director, DDCAP Group believes, "Attracting sufficient numbers of qualified new entrants to the Islamic financial services, irrespective of gender, has been a cause of concern to the industry for many years".

Despite recent setbacks resulting in many financial participants withdrawing from the market, business confidence within the Islamic space is returning in a huge way. According to the Global Islamic Finance Report 2013, the Islamic finance market is valued at \$1.631 trillion and has been growing at an average rate of 20.4% over the last five years. Today more firms are looking to understand and enter this rapidly growing and exciting sector.

Over the years, we are beginning to see more and more women beginning to play increasingly important roles in the development of the Islamic finance industry. This is especially apparent within the legal space. Although other sectors such as banking, where I come from, still has some way to go.

Atif Hanif, Partner at Allen and Overy LLP, tells me the gender balance within the Islamic finance legal sector remains strong. City law firms have no problem attracting talented female lawyers, especially at the trainee level. However, barriers still remain for women to enter at the partnership level. I can only name one or two women leading the legal Islamic finance efforts at a very senior level.

Harris Irfan, Managing Director, European Islamic Investment Bank and founder of Cordoba Capital explains: "Human beings find comfort in whatever is familiar. Even if we look back 20 years, City institutions did not actively go out of their way to discriminate but they certainly (perhaps sub-consciously) excluded a large proportion of able candidates simply because their faces didn't fit.

Women have made strong progress in being represented in law firms and service providers, but have not been so successfully accepted into traditional banking roles. They have virtually zero representation at board level in Islamic banks; in fact I'm struggling to recall one example, certainly in the UK."

Today, judging from the number of women attending recruitment events and training initiatives, one would think the Islamic finance industry should have a healthy 50/50 gender split. Unfortunately, it does not. Women have made strong progress in being represented in law firms and service providers, but have not been so successfully accepted into traditional banking roles. They have virtually zero representation at board level in Islamic banks; in fact I'm struggling to recall one example, certainly in the UK."

The Islamic Finance Review (February, 2013), highlights the shortage of qualified women in Islamic finance globally. However, praises the Malaysian Islamic banking and finance industry. The report mentions two Islamic banks (Hong Leong Islamic Bank and Kuwait Finance House, Malaysia) which both have female CEO's. The report also mentions, The National Shari'a Council, the apex body of jurists appointed by the Central Bank (Bank Negara Malaysia), which has two female members out of 11: Associate Prof. Dr Engku Rabiah Adawiah Engku Ali and Dr Rusni Hassan.

Throughout the years, the senior women I have come to know and become friends with on a personal level, always explained how difficult it was to balance demanding careers with family life. These women always credited their strong family support network and outstanding employers for how far they have developed in their careers.

Stella Cox, can relate to these experiences, "As a woman working at a senior level in investment banking in the late 1980s and early 1990s, I encountered the most supportive employer imaginable (Treasury And Capital Markets at Kleinwort Benson, latterly Dresdner Kleinwort) and the most fantastic and family minded group of clients. Despite that, and a great family support infrastructure, I still found it really difficult through my late 20s and early 30s to combine family, small children, career breaks and professional life. I think, in short, I found I couldn't 'have it all' and I managed it by taking the shortest maternity leaves imaginable - not due in any way to pressure placed upon me by my employer, colleagues or clients - but due to the pressure I put upon myself to perform and stay properly connected to my work. It all worked out well enough thanks to the huge contribution from the members of my family I leaned upon so selfishly (including a husband with a high level city career) but, I re-iterate, I enjoyed a fantastic support network."

Stella continues to explain, "Women are gaining entry to our industry and climbing the career ladder successfully. However, other factors impact and often at a time when an individual is pushing hard to move from mid to senior management. It is working out a solution to that, which is the real challenge and the reason, I believe, why fewer women are destined to reach the top in the financial services industry - based purely on their qualifications and abilities."

My personal struggle in the industry wasn't based on work life balance but actually tying to enter an Islamic finance banking sector which I found "closed" and not willing to accept change.

Having worked for private, commercial and investment banks across a range of disciplines, I began my career at Merrill Lynch. I started working for the bank in a support role and soon progressed into a client facing role and was eventually leading and developing the banks Islamic finance wealth management business. My stepping stone to reaching such heights in the organisation was Merrill Lynch's diversity programmes. Recognising the business opportunity for Shari'a compliant investments in my day to day job, I organised an introductory lunch time seminar on Islamic finance - taking advantage of the South Asian Network, an internal platform which supported the firm's diversity efforts. Following on from the event, the Merrill Lynch Islamic finance desk was inundated with queries and I became the face of our Islamic finance business and here began my journey into working for the industry.

My personal struggle in the industry has made me realise the obstacles women face and what needs to be done to overcome them. We need more senior women role models like Stella Cox; we need more senior bankers like Harris Irfan, who actually recognise the barriers women face. Harris tells me, "In order to ensure that women are proportionately represented, we, the banking industry, need to take steps to improve our level of diversity. Positive discrimination is patronising and controversial – we don't need to do that. What we need to do is consciously recognise that a diversity of culture, ethnicity and gender only makes our businesses healthier, more creative, and – most importantly for our shareholders - more productive. Change starts with us, the individuals. We can take an active stand against retrograde thinking within the organisations where we work through, for example, mentoring, or actively participating in recruitment drives. And lest we blur the lines between institutional or cultural attitudes with religion, let us not forget that the first person to accept Islam and some of early Islam's greatest scholarly minds were female."

His comments make me smile, as just a few months ago I was very fortunate enough to visit the resting place of Lady Khadija Bint Khuwaylid in Saudi Arabia, Mecca. Indeed, she was not only the first to accept Islam but she was a very powerful and successful businesswoman in her own right.

In 2007, wanting to support other women in the sector with their career aspirations, I set up the first Women in Islamic Finance Forum. It began as an informal network bringing together industry professionals within the Islamic finance space to simply meet and share industry ideas. In 2013, the network branched out to include professionals from the ethical finance industry and came to be known as "The Women in Islamic and Ethical Finance Forum" (WIEFF). Starting with 30 keen enthusiasts, today we have over 300 professionals in over 20 countries.

One of our patrons in the UK is Keith Philips, Executive Director at British Bankers' Association (BBA). He tells me: "As a banking sector, we have overcome many hurdles when it comes to attracting female talent. However many obstacles still remain especially at the more senior level. The Women in Islamic and Ethical Finance Forum will be an excellent stepping stone to bridge some of these challenges and we look forward to working with and supporting this initiative".

'Despite recent setbacks resulting in many financial participants withdrawing from the market, business confidence within the Islamic space is returning in a huge way'

Training On The Horizon

- ✓ Upgrading Specialist Skills
- ✓ Challenges & Opportunities
- ✓ Academia & The Workplace
- ✓ How to Remain a Serious Player

Offering credible, reputable and first-class education and training, the UK is poised to capture the educational challenge Islamic finance throws.

- By 2015 over 50,000 individuals will be needed in the Islamic finance industry to cap the global talent gap
- Malaysia needs 40,000 more qualified people in the industry by 2020
- Indonesia will require 17,000 more over three to five years
- In Malaysia, about 56,000 new finance industry jobs, including non-Islamic roles, will become available in the next 10 years
- Job markets will be opened up in areas such as wealth management, Shari'a advisory and corporate finance
- Indonesia's Shari'a-compliant banking industry currently needs 36,933 professionals
- Approximately 7,800 new jobs will be created at Islamic banks in the UAE by 2015 assuming current asset concentration ratios remain
- Projection that another 500 jobs will be created by 2015 in other Islamic financial services segments in the UAE
- By 2015, the Islamic financial services sector in the UAE will double in size from approximately 10,000 employees currently to 20,000

Sources: Bank Negara Malaysia's Shariah Advisory Council, International Islamic University Malaysia, International Centre for Development in Islamic Finance at the Indonesian Banking Development Institute in Jakarta, The Central Bank's Financial Sector Blueprint 2011-2020, Tahseen Consulting

Upgrading Specialist Skills

How to Boost the Future of Islamic Finance

By Ruth Martin



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Ruth Martin joined the Chartered Institute for Securities & Investment in 2002. As Managing Director she is responsible for all the main products and services, including qualifications, learning support, continuing professional development, publications, e-learning and membership. Currently the Retail Distribution Review together with the globalisation of membership and development in the education sector are major areas of focus. Throughout her career, Ruth has focused on the way in which best professional practice can be implemented through education and training. Prior to joining the CISI, she was Director of Professional Development at the Market Research Society. Ruth chairs the Education Training & Qualification committee of the UK Islamic Financial Secretariat. She has a BA, an MA from the Department of Organisational Psychology, Birkbeck College, University of London, is a Chartered Member of the UK Chartered Management Institute and a Chartered Fellow of the UK's Chartered Institute of Personnel and Development.



CHARTERED INSTITUTE FOR
SECURITIES & INVESTMENT

Based in the City of London, the CISI's mission is to help members attain, maintain and develop their knowledge and skills and to promote the highest standards of ethics and integrity in the securities and investment industry. A global organisation, CISI works in close cooperation with regulators, firms and other professional bodies worldwide. With its 40,000 worldwide membership, the CISI is the professional body which sets examinations and offers qualifications for those working, or looking to establish a career in, the wealth management and capital markets industry.

Islamic finance has grown rapidly in recent years despite turmoil in the financial services industry. As more people have become interested in this innovative area both the total assets under management and the number of financial institutions have grown.

Although concentrated in the Middle East and South East Asia, growth is also strong in Europe, the United States and Africa. Recent years have seen a significant increase in financial regulators' desire to upgrade the professionalism of their industries and Islamic finance is no different. As the industry grows so does the need to raise the competency requirements for individuals and introduce international standards.

Imam Qazi, Partner and Head of Islamic transactions at Foot Anstey LLP says "Aside from appropriate university degree subjects and professional qualifications such as the CISI's Islamic Finance Qualification (IFQ), arguably the most useful training and experience can be gained by working for a conventional financial institution or commercial law firm as part of its graduate trainee programme or training contract, for example. It is important to note that, save for Shari'a experts, who are required solely by the IF sector, other roles such as regulatory and risk specialists are required by both Islamic and conventional financial institutions. In essence, young professionals should seek specialist skills that are in demand."

There is a great deal of evidence to prove the link between a thriving financial services centre and the development of a skilled workforce. The twice-yearly Global Financial Centres Index (GFCI) produced by Z/Yen, a London-based think tank, consistently puts the availability of skilled personnel at the top of the list of factors that determine the success of a centre.

The GFCI questionnaire asks respondents to indicate which factors for competitiveness they consider the most important. A number of these factors – such as the business environment, reputation and infrastructure – are difficult and expensive to change, and improvements usually take many years to come into effect. But in terms of availability of skilled personnel – the people factor – the immediate availability of globally-recognised vocational qualifications for financial professionals at modest prices makes for easy wins in this key area.

Regulators of conventional finance are increasingly opting to raise the competency requirements for professionals by issuing qualification or education mandates, introducing the need to maintain competence through Continuing Professional Development (CPD) and also requiring individuals to abide by a code of conduct.

As the Managing Director of the CISI, and Chairperson of the UK Islamic Finance Secretariat (UKIFS) Education, Training and Qualifications working group, I believe for the Islamic finance Industry to compete effectively for talented individuals, it needs to ensure high quality training provision, relevant qualifications, and a commitment to continuing professional development to complement the high ethical foundation on which the sector is built.

'I believe for the Islamic Finance Industry to compete effectively for talented individuals, it needs to ensure high quality training provision, relevant qualifications, and a commitment to continuing professional development to complement the high ethical foundation on which the sector is built'

Imam Qazi adds to this, citing that there is a "significant and growing demand for a limited number of UK-based IF jobs. Prospective applicants should have grounding in commercial awareness and a sound understanding of both conventional and Islamic financial models and structures. More specifically, prospective candidates should have an understanding of Shari'a principles, an analytical mind, the ability to think laterally, good attention to detail and should seek to embody the ethical nature of IF."

The CISI's Islamic Finance Qualification (IFQ) is designed to support this growth, giving newcomers to the industry a broad and practical overview of Islamic finance. The IFQ is a stand-alone qualification covering the subject from both a technical and Shari'a perspective – it teaches candidates the role of Shari'a in Islamic finance and the ethics that underpin contracts. This qualification helps give candidates a solid and accurate knowledge of the products and services that they need to practice.

Established in 2005 following discussions with the Banque du Liban (BDL), today the IFQ is a leading global benchmark qualification, available in Arabic as well as English and taken in over 40 countries. The ongoing development of the IFQ is overseen by the Advisory Council for Islamic Finance who contribute to the review of all areas of the qualification from the underpinning syllabus to the study text and the examination itself.

In 2013 the fifth edition of the exam was published and this confirms the substantial commitment of educators and trainers – in this case - the École Supérieure des Affaires, co-founders of the IFQ, and the Chartered Institute for Securities & Investment to constantly evolve the IFQ in line with developments in the area. The qualification has received additional accreditation from the Finance Accreditation Agency in Malaysia and a French version will be available in the future.

Having successfully completed the IFQ, Imam Qazi says, the qualification has provided Foot Anstey's IF lawyers with an additional level of expertise in the field: "We believe it demonstrates our genuine commitment to the Islamic finance concept as a serious alternative to conventional finance."



Challenges & Opportunities

Islamic Finance Education and Training

By Akmal Hanuk



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Akmal Hanuk is the Founder & CEO of Islamic Banking and Finance Centre UK (IBFC – UK). With over 25 years of experience in developing business across emerging markets, he also lectures and trains, paying particular interest in Standards and Ethics in the financial and corporate sectors, while highlighting the ethical standards in Islamic finance. Akmal is the Chair & Independent Member of the Standards & Ethics Committee at Cardiff County Council and a member of UK Islamic Finance Secretariat (UKIFS).



Islamic Banking and Finance Centre UK (IBFC – UK) is a leading consultancy and training provider for Islamic finance in the UK offering high quality training, product structuring and development, Shari'a compliance advice and consultancy to financial institutions, executives and professionals worldwide.

One of the key challenges for the stakeholders of this industry and those working in Islamic finance education and training is to develop high quality and meaningful educational programmes which not only meet the needs and requirements of the industry, but also create awareness among ordinary consumers and users, while dispelling myths and misconceptions about Islamic finance.

Educationists also need to develop and deliver training programmes that reflect the real spirit and essence of Islamic finance and demonstrate these principles by incorporating real time examples and case studies, while sharing best practices in different parts of the world.

Training, being the most crucial and vital component to determine the success of the IFI's (Islamic Finance Institutions) is essential for the development of operational staff at all levels.

'A high-quality training programme is necessary to improve and develop the understanding and knowledge of the team, which in turn increases the commitment and confidence levels of the staff, enabling them to apply and practise the concepts and ultimately develop new products and services for users'

The UK is a leader in providing Islamic finance and legal training due to reputation, educational standards and the fact that it is recognised and respected for developing and delivering high quality educational programmes, underpinned by high quality and rigorous assessment standards. Add to this, is Britain's status as an established and dynamic financial centre, giving it a unique position through knowledge and credibility as a centre for Islamic finance.

The recent financial crisis has highlighted that the growth of the financial sector is dependent on the risk management and governance practices adopted by its regulators and its sector industry organisations. This has attracted a lot for the industry, as these are the very principles inherent in Islamic finance.

We therefore need to move fast and show leadership in ensuring that the current growth and development is supported by the appropriate and necessary talent and skills, as well as keep up with the development pace of a very dynamic, challenging and fast moving financial services industry. Organisations like UK Islamic Finance Secretariat (UKIFS), TheCityUK, UKTI and the newly formed and Government supported, Islamic Finance Task Group (IFTG) are certainly making inroads in this area.

However, more needs to be done to develop the talent of young men and women aspiring to join the financial industry sector, empowering them with a comprehensive skill set, and a thorough understanding of the current financial system along with the capabilities of implementing Islamic financial principles to develop ethical products and services.

We strongly advocate for the need to raise standards in education and training in Islamic finance around the world by taking a holistic and collaborative approach.

The UK can play a pivotal role in bringing the educational institutions, IFI's and business organisations interested in Islamic finance on one platform.

We need to focus and develop a policy framework through our ETQ (Education, Training and Qualification) bodies, allowing stakeholders in the education sector to team up with national and international employers with the intention to develop and evolve a 'Financial Educational System' which incorporates Islamic finance as part of its curriculum. UKIFS and its ETQ members have started mapping the current educational programmes; yet more serious work is required to develop a comprehensive collaboration with the industry so that educational programmes remain relevant. The responsibility to develop such a high quality of training depends on the Muslim and non-Muslim fraternity invested in Islamic finance and the educational experts aspiring to develop the UK as one of the most progressive, comprehensive and competitive global educational players; addressing the growing demand for professionals to support the growth and sustainability of the sector.

Our experience has shown that there is indeed a huge shortage of talent in the Islamic finance sector. The industry is very much behind its conventional counter-part in achieving full success and potential. We have narrowed the whole value proposition into a few banking products and in doing so are not benefiting from the tremendous opportunity to innovate and develop new products to demonstrate prospective benefits.

Instruments like Zakat, Sadaqah, Qard al Hasan & Waqf need to be incorporated in education and training programmes, showcasing and encouraging IFI's to use these instruments to develop the enterprise, trade, microfinance and SME (Small & Medium Enterprise) agendas. The same principles can be applied to develop the Credit Union and Mutual Investments models. There are tremendous opportunities to broaden these principles and apply them on equity based funds and products for mega investments, necessary for the infrastructure development at the macro levels in developed and developing countries.

Ultimately the way forward and one where the UK can take the lead is to embark on an 'Islamic Finance - Human Capital Development Programme.' The focus of such an initiative would demonstrate clear career progression, linkage to various national and regional financial sector initiatives; incorporating educational institutions and employers. For this to be a success we would need to offer educational and training programmes, which attract, develop and retain fresh talent along with a programme to 'up-skill' current professionals at all levels. We must also develop programmes, which support industries such as legal, accounting, IT, along with public and private investors and enterprises. The growth and sustainability of Islamic finance is dependent on industry stakeholders working with public and private sectors, hence their training needs must be met to facilitate their understanding of the basics and fundamentals of Islamic finance and its value proposition.

The real challenge facing the Islamic finance educational providers is to develop closer ties with the industry. Academia and the industry need to work together to design high quality educational curriculum to meet the requirements of the employers. In addition to the aforementioned challenge, more work needs to be done for current practitioners through CPD (continuous professional development) and executive educational training, which is vital to sustain knowledge and competency. With this mind, we should also develop leadership programmes based on Islamic financial principles, incorporating relevant, current research and business practices for the senior management such as policy makers, CEO's and board members; enabling to improve leadership and governance in Islamic finance.

Research initiatives and efforts by Shari'a scholars to showcase how Islamic financial principles can be applied and practiced, will further enable cross-border initiatives, facilitating the development and pioneering of new products.



Academia & The Workplace

Finding a Clear Route to a Job

By Ali Mawji



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Ali Mawji is a financial trainer at Fitch Learning, working with global investment banks, wealth managers and fund managers; designing and running programmes for analysts, associates and more specialised courses for senior employees. His client network includes the UK and the Middle East. A CFA charterholder, he designs and delivers training courses on a number of professional qualifications counting all levels of the CFA program, CISI Certificates including the Islamic Finance Qualification. Prior to beginning his career in training, Ali worked as a structured product derivatives salesperson at UBS Investment Bank in London, where he worked on a number of bespoke solutions for Middle East clients.

FitchLearning

Fitch Learning is the worldwide leader in financial education, providing end to end solutions for a wide range of technical training and exam based qualifications. Operating on a truly global scale, Fitch Learning has training centres in London, New York, Singapore and Dubai - plus a dynamic online learning platform allowing training to be delivered anywhere in the world.

The vast gap between academia and the workplace is not unique to Islamic finance. The challenge of hiring an employee with the drive and ambition to succeed as well as the experience and expertise reads similar across all industries. Islamic finance presents a further challenge by continuing to be a niche market without a selection of a number of graduate programmes for university graduates or a clear route in for those that have the right ambition and drive but experience and background knowledge in other fields or industries.

Professional qualifications are able to plug part of the gap but one often hits a dead end quite early with the relatively foundational level professional qualifications available. What began as a route into the Islamic finance industry soon fades away without a clear route into a job. Networking and attending Islamic finance seminars is a great way to learn more about the niche firms entering the market and keep up to date with topical conversations – there are a vast number of professionals who now have a number of years experience in the industry who may be able to help prospects when the right opportunity comes along.

Islamic finance remains a niche industry and the prospect of a more advanced professional qualification would struggle to remain up to date and marketable and hence the seminars and conferences are the perfect opportunity to remain at the forefront of industry knowledge and practices.

More general qualifications particular to the sector would be worth pursuing, for example the Chartered Financial Analyst programme is great for those keen to enter the investment profession and likewise the Private Client Investment Advice and Management (PCIAM) is a great asset for those looking into wealth management and private banking. The knowledge gained through these qualifications would provide a breadth of knowledge that would assist those working within Islamic finance.

Many Muslims keen to work in finance and also in line with our faith and principles find it difficult to get the conventional experience some firms are looking for. There are areas within banking and finance which is more geared towards activities which are not necessarily contrary to the Islamic faith, particularly in certain areas of private banking and wealth management as well as asset and investment management. Experience within these fields could be particularly valuable and opportunities to move within Islamic finance could be sought within the organisation.

'Those interested in the field and currently within the Islamic finance industry are also encouraged to gain an understanding of the jurisprudence involved when deeming something Shari'a compliant and to also understand the reasoning behind the Islamic laws that govern finance and investment'

Those interested in the field and currently within the Islamic finance industry are also encouraged to gain an understanding of the jurisprudence involved when deeming something Shari'a compliant and to also understand the reasoning behind the Islamic Laws that govern finance and investment.

There is an increasing need to ensure products and services duly meet investors' needs in both substance and form. As more products and services become available and investors become more educated there will become a clear distinction between the companies and individuals who truly understand the principles behind Shari'a compliant investments and those that are merely riding the wave.

As the industry grows and we hear about more Shari'a compliant sukuk funds, equity funds, retail product offerings as well as private banking specialists there will be a further need to use the transferable skills gained through conventional banking experience and the drive and ambition of those that truly believe in the principles behind Islamic finance. As always Our All Encompassing Lord, the master planner, will open the door and provide the right opportunity when the time is right.





How To Remain a Serious Player

Education & Talent Development

By Shabir Randeree CBE



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Shabir Randeree is Executive Chairman of DCD Group, an Investment firm with over 30 years of experience in Real Estate, Venture Capital, Finance and Banking. He served as Chairman and founding director of European Islamic Investment Bank plc (2006-12) and as founding director of Islamic Bank of Britain plc (2003-07). Awarded a CBE in the 2013 for services to business and education, Shabir also sits on the Government launched Islamic Finance Task Force (IFTF) - supporting the development of the UK's Islamic finance sector.

The history of Islamic banking in the UK dates back only a decade. In 2003, in the midst of the Second Gulf War, we joined a group of investors to raise GBP14 million for the Islamic House of Britain plc (IHB) with the intent of applying for a first full Retail Banking License in the UK, to operate a standalone Islamic Bank. In August 2004, the FSA approved the Islamic Bank of Britain plc and in March 2006, the FSA subsequently approved the European Islamic Investment Bank plc (EIIB), the first UK investment bank to operate strictly under Islamic principles. Both these banks were launched from our offices in Old Street, London less than 10 years ago. In the intervening period, the UK has built its capacity in the industry to today emerge as the leading centre for Islamic finance in Europe with a reported USD 19 Billion of assets and 20 banks in the Islamic banking space.

While the growth and sustainability of Islamic finance (IF) is now widely accepted, more interestingly are the adjunct industries and professions that have flourished. In particular, the growth of the Islamic finance education sector in the UK, which remains thriving and increasingly supported by a growing number of our academic institutions.

Education, Education, Education

For any industry sector to thrive, talent availability and management thereof is absolutely key. The relatively infant Islamic finance industry is no different. In the UK we have the advantage of offering courses, diplomas, under graduate and post graduate degrees in English, which has de facto become the most widely adopted medium in terms of contracts and law, as utilised by Islamic financing practitioners. The list of UK academic organisations and institutions that offer Islamic finance education is extensive and growing. A good example is the Islamic Finance Qualification (IFQ), developed by The Chartered Institute for Securities and Investments, which has become a popular entry level qualification. The list of UK Universities offering Islamic finance courses covers University of Durham, Bolton, UEL (University of East London) and Aston. Education is the key in developing talent and we have a sound base for this in the UK, with availability and quality of programming expanding tremendously. In addition to all of this, the Government also needs to encourage and support the growth of the IF industry. In March 2013 the coalition government announced the launch of the first Islamic Finance Task Force with this very objective. The Task Force is co chaired by the Rt Hon Baroness Warsi PC and Rt Hon Greg Clarke MP.

Getting started in Islamic finance

For young candidates interested in a career in Islamic finance, one of two routes have proven popular to date: Some choose to enter the non-Islamic finance world first and understand the age old banking and financing principles that most Western economies subscribe to. From this foundation, they then take a detour and branch into Islamic finance. Typically, such individuals will undertake a diploma or post graduate degree and then seek to enter the IF industry, quite often remaining with the organisation that they were already working with. Another entry level for the industry is the growing number of young that choose to study and specialise in IF from the outset. The disciplines vary, from the more traditional accounting and legal, to the more innovative structuring of financial products.

'During the past decade, the UK Islamic finance industry has proven far more progressive and inclusive than many anticipated at its outset'

Islamic finance 'job market'

In terms of the correlation between the IF industry and the job market, there are challenges in most European markets. Whilst there are always ups and downs in any marketplace, the global financial crisis has had an impact on overall employment in the industry in the West. The past few years have been particularly tough and the IF industry has not been immune to this. We have certainly witnessed more of a loss of human capital, that is, industry talent that has moved away to take up opportunities in the Middle East and Far East. The issue is less about qualification or relevancy, more a question of current economic woes. Having said this, the IF market is growing in the UK and the outlook for qualified individuals looks promising for the next decade, as the UK grows its capacity and reach within the global Islamic finance industry.

Talent development

It goes without saying that we need to nurture and develop our IF talent to remain a serious player in the industry internationally. To accomplish this, a three pronged approach needs to be co-ordinated:

1. Our academic institutions must continue to widen their scope and reach, to attract top talent and then to offer quality perspectives and education;
2. The industry practitioners, banks and institutions need to enhance their Training and Internship programmes. This is vital in such an infant industry;
3. Continued Government support for the IF industry in conjunction with the Education sector is called upon, not least to encourage a better than average delivery and quality of IF courses in the UK. Some may even argue a standardisation is called for; however, a self regulatory body may suffice at this juncture as a standard bearer to ensure quality and excellence.

Moving forward

During the past decade, the UK Islamic finance industry has proven far more progressive and inclusive than many anticipated at its outset. In terms of talent and employment, the industry appeals to a cross section and indeed some of the most prolific practitioners come from traditional banking backgrounds, non-Islamic in faith and certainly better disposed in terms of attracting female talent. In all aspects, from professionals to banking practitioners, there is an increasing interest from the younger generations to learn about IF and its opportunities. Post the global financial crisis, much has been written about the fact that Islamic banks were better placed to tackle the crisis, and this has helped expose the industry in a positive light. In the next decade, we need to continue to build a robust future for the UK Islamic finance industry - the challenge of talent recruitment, training and management are key to these ideals.



Shari'a: At The Heart Of The Matter

, A Scholarly Issue

, The Route To Becoming a Scholar



The modern role of a Shari'a scholar in Islamic finance.

- / Issue Fatwas and certifications on Shari'a compliance
- / Guarantee Shari'a compliance through rulings
- / Continuous training and up-dating knowledge
- / Review and verify all documentation and products
- / Auditing of products and procedures
- / Participate in formal meetings
- / Train and guide fellow staff members
- / Liaise with external auditors and regulators
- / Instruct and advance young scholars to join the Shari'a Board
- / Dispute resolution
- / Media engagement



Shari'a

A Scholarly Issue

By Yasser S. Dahlawi



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Yasser S. Dahlawi brings unique experience in counselling businesses and executive teams as they embark on journeys to Shari'a compliant markets. In his 19 years of experience, Yasser has advised clients in Islamic Banking, Takaful, Real Estate and Private Equity. As a founder and the CEO of Shariyah Review Bureau (SRB), his primary area of work involves assisting the financial sector develop and establish Shari'a compliant businesses. A Certified Shari'a Advisor & Auditor (CSAA), he holds a MBA from The University of Hull, UK.



Shariyah Review Bureau (SRB) is one of the corporate world's leading Shari'a Advisory firms with a presence in more than seven countries including KSA, USA, UK, Egypt, Kazakhstan, Oman and Bahrain. Licensed by the Central Bank of Bahrain, SRB provides direct access to Shari'a experts while furnishing all substantial scholarly support resources with swift turnarounds in Shari'a Certifications (Fatwa) and speedy product structuring solutions to meet its client's strategic business needs.

Burgeoning Segment

Islamic finance has passed its beginning and formative period and has been in the limelight for the past 15 years. Its annual growth rate of 15% to 20% has been outstripping that of the conventional industry and hence shunning its likeness to a "boutique" sector. It has been reported by Ernest & Young's World Islamic Banking Competitiveness Report 2013 that global Islamic Banking assets are expected to cross the \$1.8 trillion mark in 2013 up from \$1.3 trillion in 2011. The report claims that the Islamic banking industry continues to record robust growth, with the top 20 Islamic banks registering a growth of 16% in the last three years.

With this rapid and sizeable international growth in mind, it begs the question, how will the 'advisory' aspect of Islamic Finance meet the demand, move with the times and create sustained value within the industry? Shari'a advisory in itself has evolved with scholars having additional responsibilities to that of issuing fatwas or legal edicts. They now also partake in dispute resolution, media presentations, continuous professional development (CPD) and advocacy. And as the industry moves from the 'niche' to mainstream, Shari'a advisory will need to progress even further, starting with the development of human capital - allowing today's elite scholars to impart their knowledge to the next generation of advisors.

Shari'a Advisors - Flag Bearers of Islamic finance

Islamic finance as it exists today, owes its birth to the concerted efforts of Muslims who were looking for an alternative to the conventional financial system and hence created the need for something unique. The early writings of Muslim economists gave way for practical considerations in the form of frameworks, while the pioneering role of Shari'a scholars played a pivotal part to further the developments of this industry. It is without a doubt, that they are the "flag bearers" of Islamic finance. Their independent presence on an institution's board represents legitimacy for review and final approval of any product or service. It is crucial to point out here, that though the Shari'a advisor is a part of a specific organ of governance in an organisation, s/he should be concerned with all aspects of an institution's compliance. Product approval should be just one aspect of their overall function. They should also deem fit all contractual documentation following the approval of a product to make sure the fatwa is issued correctly, to name one other function.

Role of Shari'a Advisors

Shari'a advisors as defined by the Accounting & Auditing Organization for Islamic Financial Institution (AAOIFI) are "Specialised jurists in Fiqh al Muamalat and entrusted with the duty of directing, reviewing and supervising the activities related to Islamic finance in order to ensure that they are in compliance with Shari'a rules and principles."

'As the industry moves from the 'niche' to mainstream, Shari'a advisory will need to progress even further, starting with the development of human capital'

The Shari'a board generally includes three or more advisors who pursue the following process in determining whether the financial instrument is Shari'a compliant or not:

- Reviewing the product concept description created by the product development team;
- Reviewing the market conditions identified by the product development team;
- Reviewing the products development team's view on the Islamic principles on which the transaction will be based;
- Reviewing the product development team's proposal and issuing the proper legal opinions;
- Supervision of the banks' day to day operations, interactions with the staff, and the pursuit of the highest quality of work in processing customer's applications.

The need for a constant dialogue between the product development team and the scholar throughout this process should be stressed. Inevitably a Shari'a advisor who has been well groomed in Shari'a and has had exposure to product development can fit in pretty well in any of the other components of Islamic finance such as the Equity & Capital market, Takaful, Investment funds, Micro-finance and Waqf & Zakat etc.

Academic Requirements

There are many opinions on what qualifications are the essential pre-requisites for the post of a Shari'a advisor. Aspiring to reach this position requires sheer determination as the academic road is not only difficult but very lengthy. As one Shari'a advisor once told us: "It is good and bad. Good because only the highest caliber of candidate and those with maximum potential make it to the top; and bad because not enough are being churned out to meet the growing demand".

The Islamic Financial Services Board (IFSB) Standard 10 states three minimum competence requirements in order to be a member of the Shari'a Board i.e. Qualification, Experience and Ethics. As an entry to the field, the following areas are an absolute must and within reputable institutions, hopefuls take between five to eight years of intense study:

- Arabic covering grammar, classical literature, writings & poetry
- Fiqh (Islamic Jurisprudence)
- Usool Al Fiqh (Principles of deriving Shari'a rulings from original sources)
- Sunnah (the acts, sayings and approvals of Prophet Muhammad (P.B.U.H))
- Usool Al Hadith (Principles of Hadith validation)
- Tafsir (Commentary of Quran)
- Usool Al Tafsir (Principles of commentary of Quran)

The above areas are taught in gradual levels and the knowledge complexity of each area increases over the years. Knowing and understanding Arabic comprehensively is of utmost importance, as a prospective scholar will not be able to derive rulings from sources and use analogy unless, they have a firm grasp of the language. Additionally, a number of subjects of Mantiq (Logic) and mathematics are also taught to support the understanding of Usool Al Fiqh and the many opinions and judgments'.

It is important to mention, the above subjects are the basis for anyone who wishes to become an Alim or Islamic scholar. For those who seek roles on Shari'a boards, they must commit to further study and practical work experience within the fields of Banking & Finance, Accounts and Commercial law. That in itself is a daunting task. Some countries like Pakistan and Iran have bankers, accountants and lawyers as their Shari'a board members working to assist the Shari'a scholar in formulating and sanctioning a new product or a practice within the financial system. For countries especially in the GCC, it is preferable that the board incorporates Shari'a advisors who also carry both academic and practical experience within the domains of accounting and finance. This will help them to critically scrutinise accounting statements, balance sheets and the implementation of the contracts in compliance to Shari'a.

Challenge: Shari'a Needs Talent

Shari'a has been the source of guidance for Muslims in each and every aspect of their lives, yet there has been little done in mapping out a standard route for those who aspire to become Shari'a advisors. Zawya has a database of over 400 Shari'a's advisors (Source: www.shariahscholars.com); 20 of them are at the top of their field due to their seniority and experience. Accordingly, to the data compiled by German investment research firm Funds@Work, the top 20 scholars engage 55% of the industry. It can be understood that in the industry's 'hour of need' and in the 'absence of any recognised standards' a good number of top advisors rose to prominence giving Islamic finance a much needed push. However today we stand at the development stage in IF and are in dire need of talent to effectively deal with the complexities of a modern economy and innovation in product development. Thereby distancing ourselves from accusations of 'conventional mimicry' of products; inevitably leading to the creation of an idiosyncratic model.

There are people within the Shari'a sector, who do not feel a shortage of Shari'a scholars is of concern. The reasons are based on an institution's reluctance or hesitancy to recruit new faces as advisors. Some institutions feel new and younger scholars could hamper the credibility and marketability of their products, services and inevitably their image. This argument does not carry much weight with the predominant viewpoint, especially as most industry insiders understand the urgent need for a credible route plan for those aspiring to enter this profession, which currently is dominated by a few elite.

The Missing Link

One of the key mechanisms for facilitating learning for those seeking to reach the advisory level is mentorship. The benefits of this mechanism remain crystal clear yet nothing formally has been adopted or implemented at a global industry level.

It is worth noting that prestigious professions such as medicine, law, teaching and business management have 'mentor' driven route programmes to help support the transition of newly 'academically' qualified students to that of a 'practitioner' level. This would be an ideal avenue for the Shari'a sector.

In developing the next generation of Shari'a advisors, it is the responsibility of all from the educational institutes to the regulators and the current seasoned Shari'a scholars to encourage this course. Such 'mentorship programmes' if developed by pseudo-regulatory organisations like AAOIFI or IFSB would carry immense merit with candidates and would serve legitimacy in the eyes of Islamic financial institutions. The process of producing the qualified advisor would be the same as that used to produce attorneys, medical professionals and certified public accountants in the western world. AAOIFI and IFSB would be the ideal credible organisations to take this task on by registering new graduates, offering licenses to allow advisors to function at various levels, offering them CPD plans (career professional development), recording progress made by potential candidates and informing them of the latest developments in the field. This effort would require the cooperation and support of the top twenty seasoned scholars who would ultimately - in the wider interest of Islamic finance - take a more mentor-teacher role; imparting wisdom and their rich experience to the next generation of advisors.



Shari'a

The Route To Becoming a Scholar

By Sheikh Zubair Miah



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Sheikh Zubair completed his memorisation of the Qur'an at the age of 16 at Darul Uloom Al Arabiyya Al Islamiyya, Bury, UK. He continued with his Islamic studies at the same prestigious institute and studied Islamic history, Science of the Qur'an and Ahadith, Islamic Jurisprudence and Shari'a Law and obtained a BA. He has a LLB from University of Kent at Canterbury and completed his LPC in 2010 at the College of Law (Bloomsbury). Sheikh Zubair has been an Imam and an advisor since 1999. He specialises in Takaful insurance but is active and knowledgeable in other areas of Islamic finance.

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ADVISORY SERVICES LIMITED

Cobalt is a new and market changing name in the insurance world. It is the world's first underwriting agency for Shari'a-compliant commercial insurance and reinsurance. Started in 2012 under the umbrella of Cobalt Insurance Holdings Ltd, the business has two specialist operations: Cobalt Underwriting and Cobalt Advisory. Backed by Capita, a FTSE 100 company, and by the Bank of London and the Middle East (BLME), Cobalt provides solutions for large commercial and corporate risks as well as offering Shari'a audit, training and certification service to any third party in the insurance chain. The company has a full-time in-house Shari'a scholar and a Shari'a board chaired by Sheikh Nizam Yaquby.

The Three Requirements of Becoming a Shari'a Scholar

The essential requirement of becoming a Shari'a scholar is to complete a course in Islamic studies. This must be an extensive and comprehensive study of Islam and the Sciences of Shari'a. This includes Arabic, Fiqh (Islamic Jurisprudence) and Sciences of Qur'an and hadith. The course should result in a bachelor's degree or Ijaza in Shari'a Sciences and award you the title of 'Shari'a scholar'.

During this course the student must improve his character and conduct. His behaviour must be commendable. He must attain piety, refrain from that which is considered sin and encourage that which is good. This is the second requirement of being a Shari'a scholar.

There are only few scholars who can advise on Islamic finance and insurance in the modern business world. To be an effective scholar in Islamic finance and insurance, s/he must complete a third requirement: Commercial awareness. Having commercial awareness of the conventional world is vital. A qualification, for example, in law or economics or anything similar may provide you with that essential knowledge. Furthermore, the scholar must acquire an in depth knowledge of Shari'a rules and principles relating to finance, so that s/he is able to effectively apply that to conventional banking and insurance.

Islamic Commercial Insurance

Islamic Insurance is less complex than Islamic banking. Islamic Insurance is still in its infancy and until recently there was no significant Shari'a compliant insurance for Islamic commercial businesses. Islamic commercial insurance did not exist until 5th of September 2013, when Cobalt Underwriting launched to provide capacity in the world's largest insurance market - London. To structure such products, it was necessary for the Shari'a scholar to have an open mind, be innovative as well as being strictly observant of Shari'a rules and principles.

There are not many prescribed Shari'a rules or guidance pertaining to insurance, which we can refer to. AAOIFI, the architect for Islamic finance standards and regulations is gradually creating standards relating to Takaful. However, Takaful rules cannot be applied to Islamic commercial insurance. Shari'a Scholars had to create a new model which would provide capacity for large Islamic financial Institutions and maintain the principles of Shari'a such as, segregation of accounts, investment in Shari'a compliant products, avoidance of interest and gambling and minimising uncertainty to a bare minimum.

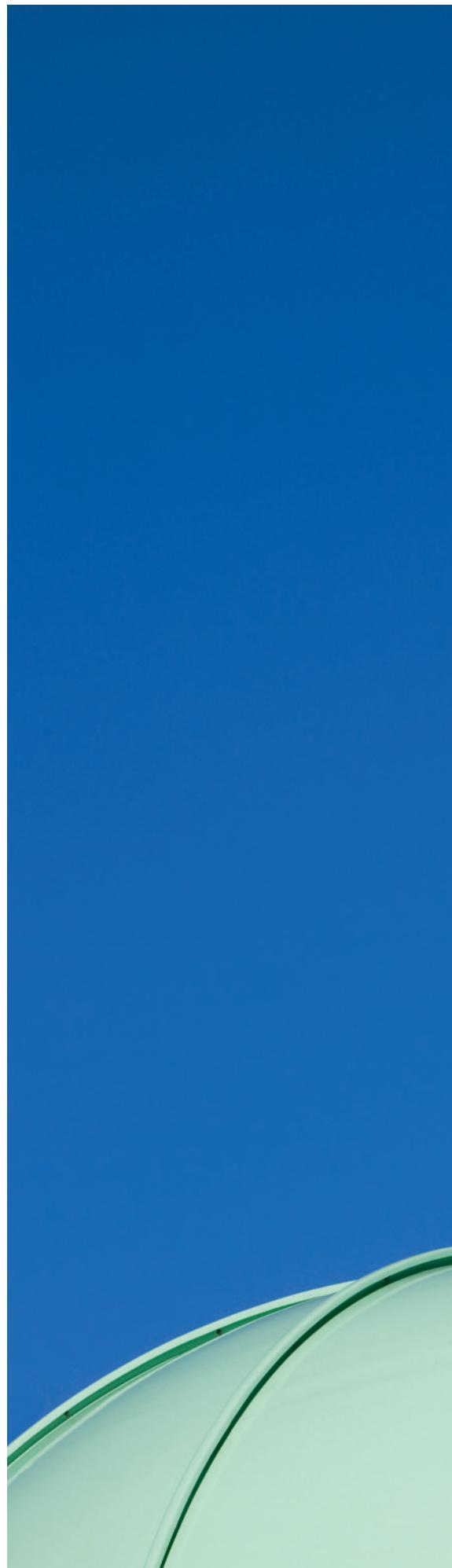
Challenges

Cobalt Underwriting has introduced a revolutionary product. It was a challenge in trying to create a solution for Islamic insurance, which satisfies the principles of Shari'a, adheres to the Financial Conduct Authority (FCA) regulations, implements English Insurance laws, meets the demands of the conventional capacity providers and ensures that it is financially viable. But there are other challenges we still have to meet. We need to inform and satisfy the scholars that the principle of necessity to use conventional insurance is now inapplicable with the availability of Islamic commercial insurance. We need to educate the scholars on the intricacies of the London insurance market and how Cobalt's Islamic commercial insurance is applied to that market. The brokers and capacity providers need to be informed of the advantages of Islamic commercial insurance and that it is available to all who wish to benefit from its ethical principles of fairness and transparency. Above all, the potential customers, who do not necessarily have to be Muslim, must have confidence that Cobalt's product is Shari'a compliant.

'There are only few scholars who can advise on Islamic finance and insurance in the modern business world. To be an effective scholar in Islamic finance and insurance, s/he must complete a third requirement: Commercial awareness. Having commercial awareness of the conventional world is vital'

Get Involved

Finally, we need more scholars to get involved to help the Islamic Insurance industry to grow. For potential, young aspiring Shari'a scholars who possess the above mentioned pre-requisites, should study Lloyd's insurance and the London insurance market. They also require training and supervision by leading and experienced Shari'a scholars in order to nurture and guide their talent. This formal training would provide them with invaluable experience, exposure and build their credibility within the Islamic finance industry. Provided that the potential Shari'a scholar is committed and dedicated, s/he will find the experience of working in Islamic finance and insurance enjoyable and rewarding.



Glossary

Ajr	Commission or fee charged for service provided
Alim	Scholar
Aqd	Contract or agreement
Arbun	A non-refundable down payment or deposit paid by a buyer for the right to purchase goods at a certain time and certain price in future;
Baitul mal	Treasury
Batil	Null and void
Faqih	Shari'a jurist
Fatwa	Legal religious edict
Fiqh	Islamic jurisprudence
Gharar	Uncertainty
Hadith	Sayings of the Prohet Muhammad (PBUH)
Hajj	Pilgrimage to Mecca (a religious duty carried out by all able-bodied Muslims who can afford it)
Halal	Lawful and permissible
Haram	Unlawful, forbidden
Hibah	Gift
Ijazah	Authorisation or license by a higher authority to transmit a certain subject or text of Islamic knowledge
Ijarah	Leasing
Istisnah	Advanced purchase of goods or buildings
Kafalah	Surity
Maysir	Gambling
Muamatlat	Economic Transaction
Mudarabah	A form of Islamic equity-based partnership contract or profit-sharing contract
Mudarib	Entrepreneur in a Mudarabah contract
Murabahah	Mode of Islamic financing - cost-plus financing
Musharakah	A joint enterprise of partnership venture based on profit and loss-sharing
Nisab	A measure of the minimum property owned that obligates you to pay zakat, and is measured in addition to (not as a part of) the typical requirements necessary for living
Qard	Loan
Qard al hasan	Benevolent loan
Rahn	Mortgage
Riba	Interest
Sadqaat	Voluntary charity or donations
Shari'a	Islamic law / jurisprudence
Shirkah	Partnership
Sukuk	Islamic bond
Sunnah	Practices and traditions of the Prohet Muhammad (PBUH)
Tabarru	Takaful donation
Takaful	Islamic insurance
Ujrah	Fee
Wakalah	Agency contract
Waqf	Charitable trust
Zakat	Obligatory charitable contributuion

Simply Sharia Limited

Simply Sharia Limited is committed to the provision of Shari'a-compliant financial services through, Training & Education, Recruitment and Financial Planning & Investment Services. The company works across two distinct areas: Simply Sharia Human Capital (SSHC); providing Islamic finance training, education and recruitment to global financial institutions, educational bodies and professionals wanting to advance in the industry; and Simply Sharia Wealth Management (SSWM), offering Shari'a-compliant financial solutions including investment management, pension planning, taxation and portfolio guidance.

Core Services

- **Islamic Finance Qualification (IFQ):**

Simply Sharia Human Capital (SSHC) is an accredited training provider with the Chartered Institute for Securities and Investments (CISI), delivering the ground-breaking, globally-recognised foundation course. Aimed at financial institutions and professionals specialising in or interested in Shari'a-compliant finance, trade, investment and insurance. SSHC has successfully offered the IFQ to Abu Dhabi Islamic Bank, Arab Banking Corporation (ABC), Qatar Islamic Bank (QIB, UK), Taylor Associates UK as well as law firms and accountancy practices across Britain and Europe. Recently the company also signed agreements to provide the IFQ to the prestigious private Business School, Escuela de Finanzas, in La Coruna, Spain, as part of their Masters Programme in Wealth Management; and Shariyah Review Bureau (SRB), a leading global firm of Shari'a advisors, based in Bahrain. The Middle East collaboration allows Simply Sharia to offer the IFQ to Banks and financial institutions across Bahrain, KSA, UAE, Qatar, Kuwait and Oman.

- **Corporate Training:** The corporate market requires an extensive and wide range of Islamic finance courses to suit diverse corporate objectives. SSHC Corporate Training is expressly tailored to meet client aims and is rooted in commercial realism and delivery, making it relevant and results-driven for the organisation. Delivering material rich in practical examples, based on empirical evidence and which encourages audience participation, through seminars, short courses, webinars and workshops, Simply Sharia has provided bespoke corporate training to ABC Bank, the Association of Accounting Technicians (AAT), Qatar Islamic Bank (QIB UK) and MBL Seminars to name a few.

- **Recruitment:** Simply Sharia has long campaigned to connect the rich pool of talent eager to work within the Islamic finance industry to corporate players in the industry: offering a high calibre search and selection service to employers and candidates for roles related to Islamic finance. Committed to combining the knowledge of conventional institutions with that of the Islamic finance sector through competent, qualified and highly skilled individuals; guiding and mentoring students and professionals wanting to enter this high growth market. With an excellent national and international network of collaborating organisations, SSHC has acquired recruitment mandates from Barclays Capital, Barwa Bank, Gatehouse Bank Plc and Deloittes.

- **Shari'a-Compliant Financial Solutions:** The UK's only national firm to be exclusively dedicated to Shari'a Compliant Independent Financial Advice, while authorised and regulated by the UK's Financial Conduct Authority (FCA). The objective is to help clients achieve their financial goals through financial planning which utilises Shari'a compliant investments and other financial products.

A pro-active member of Britain's Islamic finance scene, Simply Sharia Limited is a member of UK Islamic Finance Secretariat (UKIFS); working with TheCityUK, an independent body, backed by the UK Government and industry, promoting financial services globally. The Simply Sharia team consists of highly qualified advisors from blue-chip corporate backgrounds, knowledgeable marketers, Shari'a scholars and experienced industry professionals.



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