THE CERTIFIED ISLAMIC SPECIALIST IN GOVERNANCE AND COMPLIANCE
Introduction:

Governance in the banking system is not only necessary; it rather constitutes a platform and a method that must be adhered to so as to clear responsibilities as much as possible and create a sense of trust and tranquility for others, especially those who deal with the bank. This would serve as a means to allow the stakeholders previously referred to, each according to their role and importance, the opportunity to thwart any tendency towards malpractice.

The Paris-based Organization for Economic Cooperation and Development has focused on the principles and standards of governance and issued a set of principles and standards, adopted by the World Bank and International Monetary Fund in 1999, that enhance institutional commitment to the application of governance requirements.

Similarly, the Basel Committee adopted the standards of the Organization for Economic Cooperation and Development and issued a document on “Strengthening corporate governance in banking organizations,” which included a set of principles, aiming at curbing the activities and relationships likely to reduce the efficiency of governance.

The AAOIFI Accounting and Auditing Organization for Islamic Financial Institutions, in Bahrain, has had a head start in the issuance of many Sharia standards relating to presentation and disclosure.

These standards urge the management of financial institutions on transparency and fairness in dealings and transactions and call on avoiding taking people’s rights or consuming their wealth unlawfully. The same message has been advocated by international institutions interested in corporate governance. The Islamic Financial Services Board IFSB in Malaysia has issued a separate standard for corporate governance of Islamic financial institutions that takes into account the international standards and adds to them new aspects commensurate with the special nature of the work of Islamic financial institutions and their commitment to implement the provisions of Islamic law and inform stakeholders of such policy.

To ensure adherence to the principles of governance and all its requirements the function of compliance has been developed within banks. Equally, a new department, independent from the risk management department, has been established recently with a core mission to monitor the bank’s compliance with the various laws governing its work and activities, such as the banking law, the trade law and the law of joint stock companies. In addition, the new department monitors the bank’s abiding by the instructions of the central bank and any other matters that may contribute to improving its classification and bolstering the confidence of all parties in it. This work must be of the utmost importance given the risks the bank may be exposed to in case of non-compliance.
Objectives:

1. Define the concepts of governance and compliance in relation to Islamic applications
2. Define the various standards of governance and its importance in Islamic banks
3. Understand governance within the provisions of Islamic law
4. Understand the relationship between corporate governance and risk management
5. Determine the aims of monitoring compliance in Islamic banks and financial institutions
6. Follow-up the risks of non-compliance in Islamic banking operations
7. Define the principles of compliance control in Islamic banks and financial institutions
8. Equip the participants with the necessary skills on how to do the job of compliance in Islamic banks.

Target Audience:

The program can cater for officials and employees in the following departments:

1. Compliance
2. Shariah Supervision
3. Risk
4. Finance and Investment
5. Internal Audit
6. Legal Affairs
7. Other related departments
# Program of the Certificate

## 1. Corporate governance in Islamic banks
- Introduction on the environment of Islamic banks and the development and the expansion of Islamic banking and finance
- General concepts on governance (the concept, rationale, rules)
- Importance of corporate governance in institutions in general and in Islamic banks in particular
- Governance standards and guidelines of the Basel Committee
- Governance from an Islamic Law perspective
- Corporate governance in Islamic banks
- Standard of corporate governance of Islamic financial institutions

## 2. The Situation of governance in Islamic banks
- Objectives and determinants of corporate governance in Islamic banks
- Situation of governance in the Arab and Islamic banking sectors
- Preparation of a governance manual in an Islamic bank
- Governance and risk management in Islamic banks
- Practical Case Study: Working Groups (discussion of the Malaysian governance model)

## 3. Elements of the environment supportive of corporate governance in Islamic banks and financial institutions
- Role of the Board of Directors
- Role of the Sharia Supervisory Board
- Role of the Board of Directors committees
- Role of the Executive Management
- Role of shareholders
- Rights of investors
- Practical Case Study: Working Groups (discussion of the governance of some forms of financing in Islamic banks)
4. International and Islamic standards of governance

- Introducing the standards of corporate governance issued by the AAOIFI Accounting and Auditing Organization for Islamic Financial Institutions
- Introducing the standards of corporate governance issued by the IFSB Islamic Financial Services Board.
- Introducing the relevant corporate governance laws in the Model Law issued by the General Council for Islamic Banks and Financial Institutions
- Comparative Presentation of some evidence of corporate governance of Islamic banks in the Middle East and Asia (Syria / Jordan / Malaysia ...)
- Role of central banks in the governance of Islamic banks

5. Compliance in Islamic banks:

- Definition of compliance function in banks
- Compliance Management in the organizational structure of the bank
- Goals of the function of compliance monitoring
- Relationship between risk management and compliance management
- Elements and principles of compliance
- Risks of non-compliance
- Instructions of compliance monitoring

6. Compliance in Islamic banking operations

- Compliance Management: tasks and responsibilities
- Relationship between Institutional governance and the function of compliance
- The importance of compliance with Islamic law in the provision of Islamic modes of finance
- Examples of compliance in the provision of Islamic modes of finance
- Examples of compliance in Islamic banking
- Examples of compliance in the fight against money laundering
Registration Form
Professional Advanced Diploma
in Islamic Finance

Registration Date: .................................................................
Full Name (English): ................................................................
Full Name (in Arabic): ..............................................................
Nationality: ............................................. Date of Birth: ...........
Occupation: .................. Years of experience: .........................
ID Number: .................. E-mail: ............................................
Mobile: .................................................. State: .....................
Postal Address: ...............................................................
Employer: .........................................................................

Education: .......................................................................