ISLAMIC FINANCE AND BANKING

Training Program

Ankara, January 28th – February 1st, 2013

at TEPAV Building, 3rd Floor Conference Room
(TOBB University of Economics and Technology, Söğütözü Cad. No: 43 Söğütözü - ANKARA)

PROGRAM

Day	Session	Duration
1st Day	Introduction	09.00 – 09.30
	Norms of Islamic Finance I	09.30 – 11.15
28th January	**Coffee Break**	**11.15 – 11.30**
Monday	Norms of Islamic Finance II	11.30 – 13.00
	Launch	**13.00 - 14.00**
	Debt-Based Modes of Islamic Finance	14.00 – 15.45
	Coffee Break	**15.45 – 16.00**
	Discussion Session	16.00 – 17.30
2nd Day	Debt-Based Modes of Islamic Finance	09.30 – 11.15
	Coffee Break	**11.15 – 11.30**
29th January	Discussion Session	11.30 – 13.00
Tuesday	**Launch**	**13.00 - 14.00**
	Debt-Based Modes of Islamic Finance	14.00 – 15.45
	Coffee Break	**15.45 – 16.00**
	Discussion Session	16.00 – 17.30
3rd Day	Equity-Based & Fee-Based Modes of Islamic Finance	09.30 – 11.15
	Coffee Break	**11.15 – 11.30**
30th January	Discussion Session	11.30 – 13.00
Wednesday	**Launch**	**13.00 - 14.00**
	Islamic Banking: Risk Management	14.00 – 15.45
	Coffee Break	**15.45 – 16.00**
	Islamic Banking: Regulation and Governance	16.00 – 17.30
4th Day	Islamic Insurance	09.30 – 11.15
	Coffee Break	**11.15 – 11.30**
31st January	Islamic Insurance: Regulation and Governance	11.30 – 13.00
Thursday	**Launch**	**13.00 - 14.00**
	Islamic Investment Banking	14.00 – 15.45
	Coffee Break	**15.45 – 16.00**
	Discussion Session	16.00 – 17.30
5th Day	Islamic Fund Management	09.30 – 11.30
	Coffee Break	**11.30 – 11.15**
1st February	Islamic Micro Finance: Not-for-profit Models	11.15 – 13.00
Friday	**Launch**	**13.00 - 14.00**
	Islamic Micro Finance: For-profit Models	14.00 – 16.00
	Coffee Break	**16.00 – 16.15**
	Discussion Session & Closing Remarks	16.15 – 17.30
	Closing	17.30

TRAINER:

Dr. Ishaq Bhatti

Ishaq Bhatti is the founding director of Islamic Banking and Finance Programme at La Trobe University (LTU), Melbourne, Australia and an Adjunct Professor at the King Abdulaziz University, Saudi Arabia. Previously, he has taught at Monash, Griffith, International Islamic University, Pakistan University of Alberta and visited Rider, Magberg, Hitotsubahi, Auckland, European Business School, Paris and various Middle Eastern Universities. He is an author of more than 85 articles, 3 books, book chapters, member of the editorial board of various journals and two special issue editor of Managerial Finance on interest free banking 2008. His major areas of research, scholarship and teaching are in Quantitative finance and Islamic banking and finance. He is the founder of the first ever, the only in Australia Islamic Banking and Finance Programmes, which links courses from professional to master and PhD level. He is the winner of the national ALTC award 2010, LTU award 2010 and postgraduate teaching award 2009. He was a member of the team who won AusTrade project Iraqi central banking, Victorian Department of Education ESL financial modelling project 2007 and Australian Research Council Discovery Grant jointly with Suren Basov.

ISLAMIC BANKING AND FINANCE
COURSE OUTLINE

Course Description

This course provides a comprehensive understanding of the theory and practice of Islamic banking and finance. It focuses on the building blocks of an Islamic financial system – the norms and modes of Islamic finance – and how various institutions and markets are configured using them. The course covers the entire range of Islamic financial services providers, institutions and markets.

COURSE OBJECTIVES

- To provide knowledge and understanding of the ethical norms underlying Islamic banking and finance
- To provide an understanding of how these norms distinguish the Islamic financial system from its conventional counterpart
- To demonstrate how the norms underlie the array of Islamic modes of finance
- To demonstrate how Islamic financial institutions – banks, insurance companies and microfinance institutions are modeled
- To demonstrate how Islamic financial instruments (sukuk) are structured
- To relate the theory of Islamic banking and finance with practices in the Islamic financial services industry

Pedaogy/Teaching Method:
Teaching methods include lectures, presentations, writing assignments and case discussions.

Schedule of Sessions

Day 1

Session 1 — **Norms of Islamic Finance I**
Reading — Chapter 2 in Core Reference 1

Session 2 — **Norms of Islamic Finance II**
Reading — Chapter 2 in Core Reference 1

Session 3 — **Debt-Based Modes of Islamic Finance (Murabaha)**
Reading — Chapter 6 in Core Reference 1

Session 4 — **Discussion Session**
Case I — SBP Murabaha Agreement
Case II — ITFC Agribusiness Deal in Kazakhstan

Day 2

Session 1 — **Debt-Based Modes of Islamic Finance (Ijara)**
Reading — Chapter 6 in Core Reference 1

Session 2 — **Discussion**
Case I — SBP Ijarah Agreement

Session 3 — **Debt-Based Modes of Islamic Finance (salam & Istisna)**
Reading — Chapter 7 in Core Reference 1

Session 4 — **Discussion**
Case I — SBP Salam Agreement
Case II — SBP Istisna Agreement

Day 3

Session 1 — **Equity-Based & Fee-Based Modes of Islamic Finance:**
Reading — Chapter 5 in Core Reference 1 I Chapter 9 in Core Reference 1

Session 2 — **Discussion**
Case I — SBP Musharaka Agreement

Session 3 — **Islamic Banking: Risk Management**
Reading — IFSB Standards on Risk Management

Session 4 — **Islamic Banking: Regulation and Governance**
Reading — IFSB Standards on (i) Capital Adequacy & (ii) Governance

Day 4

Session 1	**Islamic Insurance (Takaful)**
Reading	Chapters 10 & 11 in Core Reference 1
Session 2	**Islamic Insurance: Regulation and Governance**
Reading	IFSB Standards on Takaful Regulation
Session 3	**Islamic Investment Banking (Sukuk)**
Reading	Chapters 12, 13 in Core Reference 1
Session 4	**Discussion Session**
Reading	(i) AAOIFI Standards on Sukuk (ii) Taqi Usmani's view on Sukuk

Day 5

Session 1	**Islamic Fund Management**
Reading	Chapters 15 in Core Reference 1
Session 2	**Islamic Micro Finance: Not-for-profit Models**
Reading	Chapters 3 & 4 in Core Reference 2
Session 3	**Islamic Micro Finance: For-profit Models**
Reading	Chapters 3 & 4 in Core Reference 2
Session 4	**Discussion Session & Closing Remarks**

REFERENCES

CORE REFERENCE

- Mohammed Obaidullah, Islamic Financial Services, Scientific Publishing Centre, King Abdul Aziz University, Jeddah, 2005.
- Downloadable from: http://www.auscif.com/wp-content/uploads/2012/09/Islamic-financial-services-by-Mohammed-Obaidullah.pdf
- Mohammed Obaidullah, Introduction to Islamic Microfinance, IBF Net, India, 2008
- Downloadable from: http://www.imad.in/mf-obaidullah.pdf

ADDTIONAL REFERENCE

- Muhammad Ayub (2007) "Understanding Islamic Finance", Wiley.
- Mohd. Daud Bakar & Engku Rabiah Adawiah Engku Ali (2008) "Essential Readings in Islamic Finance", CERT.
- Zamir Iqbal & Abas Mirakhor (2007) "An Introduction to Islamic Finance Theory and Practice", Wiley