

# ISLAMIC FINANCE FOR REGULATORS

## Faculty

**Assoc. Prof Dr. Ziyaad Mahomed**

*INCEIF Faculty, Shari'ah Advisor,  
Lead Researcher (Shari'ah) CoE Islamic Social Finance,  
Securities Commission Malaysia,  
Oxford Centre for Islamic Studies Visiting Fellow*



16 & 20-23 January 2025  
1:45 PM – 5:00 PM



MYR 10,000\* per person  
*(approximately USD 2,200\*)  
\*excludes Sales & Service Tax (8%), travel & accommodation*



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## PROGRAM OVERVIEW

An increasing number of central bankers, bank examiners and finance regulators are operating in Islamic finance systemic economies with Islamic finance assets exceeding 15% of the finance market. This course provides a strong overview of the Islamic finance market, its foundational rules based on the Shari'ah (Islamic law), the variations in risk exposure and the unique component of Shari'ah governance. The course also introduces the Islamic capital market and its liquidity function for a more robust Islamic finance ecosystem.

**Participants will be exposed to conceptual theory and issues in practice. The course focuses on the unique characteristics of Islamic finance in regulation, led by seasoned academics and practitioners in the field.**

## WHO SHOULD ATTEND?

- Professionals in central banks and regulatory agencies who want to:
  - Develop a comprehensive understanding of Islamic finance, including its foundational principles, risk variations, and Shari'ah governance.
  - Enhance their ability to analyze the Islamic capital market and its role in creating a robust Islamic finance ecosystem.
  - Apply theoretical knowledge and practical insights to regulatory, policy, and operational challenges in Islamic finance.

## PRE-REQUISITES

- Participants should be able to read a bank's financial statements and understand the concept of capital adequacy.
- Participants should have an understanding of what the Shariah is and the sources of Islamic law.

## PRE/POST-READING

- Islamic Financial System – Principles and Operations (3rd Edition)
- Introduction to Islamic Finance (MT Usmani, 2002)
- [Islamic Finance Course - Fundamentals](#)

## KEY TAKEAWAYS

At the end of the program, participants will be able to:

Understand the foundational principles of Islamic finance and compare its unique features with conventional finance systems.

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Analyze the distinctive aspects of Shari'ah governance and address its challenges in regulatory and operational contexts.

Explore the Islamic capital market, including its structure, liquidity function, and role in building a robust Islamic finance ecosystem.

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Evaluate variations in risk exposure between Islamic and conventional finance and develop insights into risk management strategies.

Apply conceptual theories and real-world practices in Islamic finance to enhance decision-making in regulatory and policy environments.

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Gain knowledge and insights from experienced academics and practitioners, fostering a comprehensive understanding of Islamic finance practices.

## PROGRAM OUTLINE

Classes will be conducted in 2 sessions with the following timings:

- Session 1 : 1:45 – 3:15 PM
- Session 2 : 3:30 – 5:00 PM

DATE & DAY	TOPIC	READINGS
<p><b>16 JAN 2025</b> (Thursday)</p>	<p><b>Fundamental Principles of Islamic Finance</b></p> <ul style="list-style-type: none"> <li>• Global Islamic Finance Overview – Modalities and Growth</li> <li>• Principles of Islamic finance – Sources of law, legal maxims, and basic prohibitions</li> <li>• The development of Islamic products and instruments</li> </ul>	<ul style="list-style-type: none"> <li>• Islamic Financial System, Principles and Operations, 2nd Ed. (2018) (IFS): Chapter 2, 4 and 5.</li> <li>• <b>Supplementary reading:</b> Chapter 1 &amp; 3 of IFS.</li> </ul>
<p><b>20 JAN 2025</b> (Monday)</p>	<p><b>Islamic Contract Law – Islamic Finance in Practice</b></p> <ul style="list-style-type: none"> <li>• Sales-based Contracts (<i>Murabaha, Ijara, Commodity Murabaha / Tawarruq</i>)</li> <li>• Equity-based Contracts (<i>Mudaraba, Musharaka, Wakala bil istithmar</i>)</li> <li>• Supplementary Contracts for Risk Mitigation (<i>Rahn, Kafala</i>)</li> </ul>	<ul style="list-style-type: none"> <li>• IFS Chapter 6 and 7</li> <li>• Introduction to Islamic Finance</li> <li>• AAOIFI Shariah Standards</li> </ul>

# PROGRAM OUTLINE

Classes will be conducted in 2 sessions with the following timings:

- Session 1 : 1:45 – 3:15 PM
- Session 2 : 3:30 – 5:00 PM

DATE & DAY	TOPIC	READINGS
<p><b>21 JAN 2025</b> (Tuesday)</p>	<p><b>Shari’ah Governance</b></p> <ul style="list-style-type: none"> <li>• Central bank practices in reviewing effective Shari’ah governance</li> <li>• Shari’ah boards and their fiduciary duties</li> <li>• Regulatory reach in Shari’ah governance policy</li> </ul>	<ul style="list-style-type: none"> <li>• IFS Chapter 16</li> <li>• <b>Supplementary Reading:</b> IFS Chapter 15</li> </ul>
<p><b>22 JAN 2025</b> (Wednesday)</p>	<p><b>Islamic Capital Markets (ICM)</b></p> <ul style="list-style-type: none"> <li>• An overview of the components of ICM</li> <li>• Sukuk issuance for liquidity management</li> <li>• Islamic treasury and derivative instruments for hedging, including Islamic interbank instruments</li> </ul>	<ul style="list-style-type: none"> <li>• IFS Chapter 9, 10, 11 and 14</li> <li>• IFSB Standard No 24</li> <li>• Islamic Deposit Insurance (IADI-IFSB)</li> </ul>

## PROGRAM OUTLINE

Classes will be conducted in 2 sessions with the following timings:

- Session 1 : 1:45 – 3:15 PM
- Session 2 : 3:30 – 5:00 PM

DATE & DAY	TOPIC	READINGS
<p><b>23 JAN 2025</b> (Thursday)</p>	<p><b>Risk Management for Islamic Financial Institutions (IFIs)</b></p> <ul style="list-style-type: none"> <li>• Regulatory approaches to Islamic finance internationally – dual-banking, special financial institutions, and only Islamic systems</li> <li>• Risk behaviour from an Islamic perspective – risk-sharing and its impact on financial stability</li> <li>• Unique risks in Islamic finance – (Shari’ah non-compliance risk, profit-rate risk, displaced commercial risk, reputational risk, and liquidity risk)</li> <li>• Applying the IFSB standards in regulatory review of IFIs</li> <li>• Capital adequacy and unique capital charge at IFIs</li> </ul>	<ul style="list-style-type: none"> <li>• IFS Chapter 13</li> <li>• IFSB Standard No 16, 23 and 26.</li> </ul>

## PROGRAM FEE

**RM 10,000.00**  
**per person**  
*(approximately USD 2,250)*

The program fee covers course materials only. It does not include Sales & Service Tax (8%), meals, travel, accommodation, personal expenses or other related incidentals.

## MODE OF DELIVERY

**In-person Only**  
at ASB Campus, Kuala Lumpur, Malaysia



## ACCOMMODATION OPTION

Our campus is centrally located in the heart of Kuala Lumpur and surrounded by nearby hotels.

We also have an ASB Residence located just a 3-minute walk from the campus where the course will be held.

If participants wish to stay at ASB Residence during the course, please email [asbresidential@asb.edu.my](mailto:asbresidential@asb.edu.my) to inquire about room availability.



## FACULTY



**Dr. Ziyaad Mahomed** stands as a distinguished Shariah Advisor, extending his expertise to over twelve boards of Islamic financial institutions on an international scale. Notably, he holds the esteemed position of Chairman of the HSBC Amanah Shariah Board in Malaysia, underscoring his influence in shaping Shariah compliance within the financial sector.

Dr. Ziyaad's research and consultancy efforts have left an indelible mark on the global Islamic finance landscape.

His focus on innovating Takaful products and models spans diverse regions, including South Africa, Nigeria, Mauritius, and Malaysia. His leadership in numerous consultancies has been instrumental in the development of Islamic Banking windows and the evolution of Takaful in various countries, with notable contributions to the UK, Maldives, Nigeria, the Philippines, Afghanistan and Kazakhstan, among others. He serves as a Senior World Bank Consultant for advancement of Islamic Finance in Africa and South-East Asia

Currently he is a Lead Researcher at the Center of Islamic Social Finance, after establishing the Social Finance unit in 2017. Dr Ziyaad is also head of EMIF and online programs including the Micra short course established during his tenure as Associate Dean of eLearning. His commitment to advancing knowledge delivery is evident in his leadership of a team responsible for designing cutting-edge eLearning programs.

Furthermore, his leadership extends to spearheading the development of a new Master's online degree, employing the latest methodologies in eLearning. His multifaceted role includes active participation in creating both VBI (Value-Based Intermediation) and VBiT (Value-Based Takaful) in Malaysia, showcasing his pivotal role in shaping ethical financial practices. As a Shariah Advisor on multiple international boards, Dr. Ziyaad's influence transcends borders, contributing significantly to developing and adhering to Shariah principles in Islamic finance. His unwavering commitment to advancing education and ethical financial practices positions him as a key figure in the global Islamic finance arena.





	0	(1,000)	544	(1,055)
Other long-term investments	208	660	(2,975)	837
Net cash from operations	(1,042)	(5,052)	(3,024)	(3,451)
Financing	(1,683)	(1,363)	(3,024)	(2,481)
Net cash used in financing	(2,513)	(6,751)	(5,382)	(7,390)
Investing	(498)	(491)	(934)	(1,055)
Additions to property, plant, and equipment	(8,627)	(69)	(9,502)	(69)
Acquisition of companies, net of cash acquired, and purchases of intangible and other assets	(10,047)	(5,896)	(21,346)	(13,313)
Purchases of investments	6,061	1,836	8,886	2,706
Maturities of investments	7,835	2,603	15,371	4,030
Sales of investments	(292)	447	(358)	1,174
Securities lending payable	(5,568)	(1,570)	(7,883)	(6,527)
Net cash used in investing				
Net cash and equivalents, end of period	\$ 10,610	\$ 4,023	\$ 10,610	\$ 4,023