



The professional qualifications and membership body for the securities and investment industry

IFQ

ISLAMIC FINANCE QUALIFICATION

The IFQ is a ground-breaking qualification that covers Islamic finance from both a technical and a sharia'a perspective, providing the first international benchmark in the area of Islamic finance.

It provides candidates with an understanding of the influence of sharia'a in a business context and prepares candidates to hold key positions in the Islamic finance and takaful (Islamic insurance) industries.

The qualification is appropriate for existing and new employees and those seeking a career in Islamic finance. Since its launch, the exam has been taken in over 40 countries.

“Since its inception the IFQ has been highly acclaimed as it contributes to the widening and deepening of the skills of financial practitioners. We are confident that it will continue to confirm its pertinence to the financial industry at large.”

Raed H. Charafeddine
First Vice-Governor, Banque du Liban
Chairman, Advisory Council for Islamic Finance

Key Features

- ✓ Sharia'a compliant
- ✓ Provides a basic knowledge of the general principles of sharia'a (fiqh al muamalat) and their application to Islamic banking and finance
- ✓ Covers the different types of Islamic finance contracts and products available
- ✓ Examines the practices used in the Islamic financial markets and the principles behind investment selections
- ✓ Employing IFQ holders indicates that a company is contributing to the development and promotion of high ethical standards amongst its staff
- ✓ The syllabus, workbook, other teaching materials and exams have been developed with the support and collaboration of a panel of internationally recognised experts in Islamic finance
- ✓ Reviewed regularly to reflect developments in the fast-changing world of Islamic financial services
- ✓ Initiated and supported by the Central Bank of Lebanon (Banque du Liban)
- ✓ Awarded jointly by the CISI (recognised by Ofqual, the UK education regulator) and l'Ecole Supérieure des Affaires (ESA)
- ✓ Available internationally in English and Arabic
- ✓ eLearning tool available

Ofqual

The CISI is recognised as an Awarding Body by the Office of Qualifications and Examinations Regulation, so both individuals and firms can be assured that its processes, policies and systems meet rigorous quality assurance standards. The IFQ has been accredited by Ofqual as a level 3 qualification. On the European Qualifications Framework this equates to a level 4 qualification. For further information on the European Qualifications Framework, please visit cisi.org/eqf.

Endorsed by the Financial Skills Partnership (FSP)

The IFQ features on the FSP Recommended List of Examinations. The FSP is an employer-led body with a remit to provide advice and guidance to employers in the financial services sector on suitable qualifications for their staff.

Advisory Council for Islamic Finance

The IFQ was initiated by the Central Bank of Lebanon (Banque du Liban) and was jointly created by l'Ecole Supérieure des Affaires (ESA) and the CISI. These bodies convened the Advisory Council for Islamic Finance (ACIF), a group of experts, to develop the qualification.



The ACIF oversees the IFQ. The ACIF chairman is Raed H. Charafeddine, First Vice-Governor, Banque du Liban.

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Assessment Structure

- The IFQ is a two-hour, 100 multiple-choice question exam.
- The pass mark is 70%.
- Preparation, using the accompanying workbook, requires approximately 130 hours of personal study time.

The exams are based on the published syllabus. This is reviewed regularly to reflect changes in the industry.

Summary Syllabus

Element 1: The Basis of Islamic Banking and Finance

The principles and concepts which underpin Islam; the place of banking and finance within Islam; the sources and interpretation of Islamic law.

Element 2: An Introduction to Islamic Banking and Finance

The development of the Islamic finance and banking industry; the main components of the Islamic banking industry and its operating structures.

Element 3: Islamic Law of Contracts

Principles of Islamic business including the avoidance of riba and gharar; the concept of wa'd (promise); the elements of a valid contract; the different types of contract; the purchase and sale of currencies.

Element 4: Financial Techniques Applied by Islamic Banks

The nature of Islamic current accounts; the nature of the major contracts – mudaraba, musharaka, murabaha, ijara, salam, istisna; the use of letters of credit and guarantees in Islamic finance contracts.

Element 5: Islamic Asset and Fund Management

The purpose of investment in Islam; prohibited industries; structuring Islamic investment funds; the Islamic stock selection process and the role of the sharia'a supervisory board.

Element 6: Sukuk Market

The nature of sukuk compared with conventional securities; issuing sukuk; different types of sukuk; AAQIFI standards for sukuk and rating sukuk issues.

Element 7: Islamic Insurance - Takaful

The nature and structure of takaful compared with conventional insurance; remunerating the insurance operator and sharia'a governance of takaful undertakings.

Element 8: Financial Statements for Islamic Banks

The framework of International Financial Reporting Standards; contents of the main financial statements; the need for specific Islamic accounting standards; the role of AAQIFI and IFRS.

Element 9: Islamic Corporate Governance

The different approaches to corporate governance; additional challenges presented by Islamic banks; the role of the sharia'a supervisory board and corporate governance issues in takaful.

Sharia'a Scholar

The IFQ workbook and examination have been reviewed and approved by sharia'a scholar Muhammed Nurullah Shikder.

How is the IFQ Delivered?

The exam can be taken at one of the computer based test (CBT) centres located worldwide. CBT is operated by the CISI's global partner Prometric. Candidates can book an exam to fit in with employment and other commitments. Candidates receive their results when they leave the test centre; a formal certificate, badged by the CISI and ESA, is issued at a later date to successful candidates.

Over 40,000 CISI qualifications are taken every year at CBT centres worldwide. For details of your local test centre visit cisi.org/cbt

Candidates sitting the exam by CBT will be required to answer up to 10% additional trial questions that will not be separately identified and do not contribute to the result. Candidates will be given proportionately more time to complete the test.

How do I Register for the IFQ?

Step 1: Pay a one-off registration fee.

Step 2: Book your exam at cisi.org/bookmain

Step 3: Fill out a Qualifications Registration Form at cisi.org/qrf

Prices

Visit cisi.org/prices to ascertain current prices.

CISI Membership

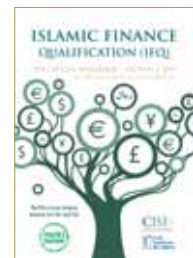
Individuals who successfully complete the IFQ are eligible to become Associate members (ACSI) of the Institute. For further details visit cisi.org/membership

“I would strongly recommend this qualification to staff working and seeking to work in the Islamic finance industry. This prestigious, global qualification offers essential knowledge of the general principles of sharia'a with respect to its application to Islamic banking and finance. The IFQ is a key qualification in this growing market.

Sultan Choudhury, Commercial Director
Islamic Bank of Britain

Studying and Training for the IFQ

A comprehensive workbook, produced specifically for the IFQ, has been approved by the ACIF panel of experts.



- ✓ Full coverage of the syllabus, with text written and reviewed by senior industry practitioners and approved by a sharia'a scholar in order to help candidates prepare for the exam and understand their role.
- ✓ Revision questions at the end of each chapter are designed to test knowledge and encourage candidates to give written answers, thereby increasing subject retention.
- ✓ Clear explanations, graphics, tables and examples to ensure the complex subject matter is easily understood and absorbed.
- ✓ A syllabus learning map assists candidates to find specific learning objectives in the workbook.
- ✓ Comprehensive glossary of Islamic financial terms included.
- ✓ A workbook plan provides a list of chapter headings and recommended study time for each section.

The CISI has produced an **elearning tool** to accompany its IFQ workbook. It is an engaging online revision aid designed to be used in conjunction with the workbook. It covers the key, salient points of the syllabus and contains:

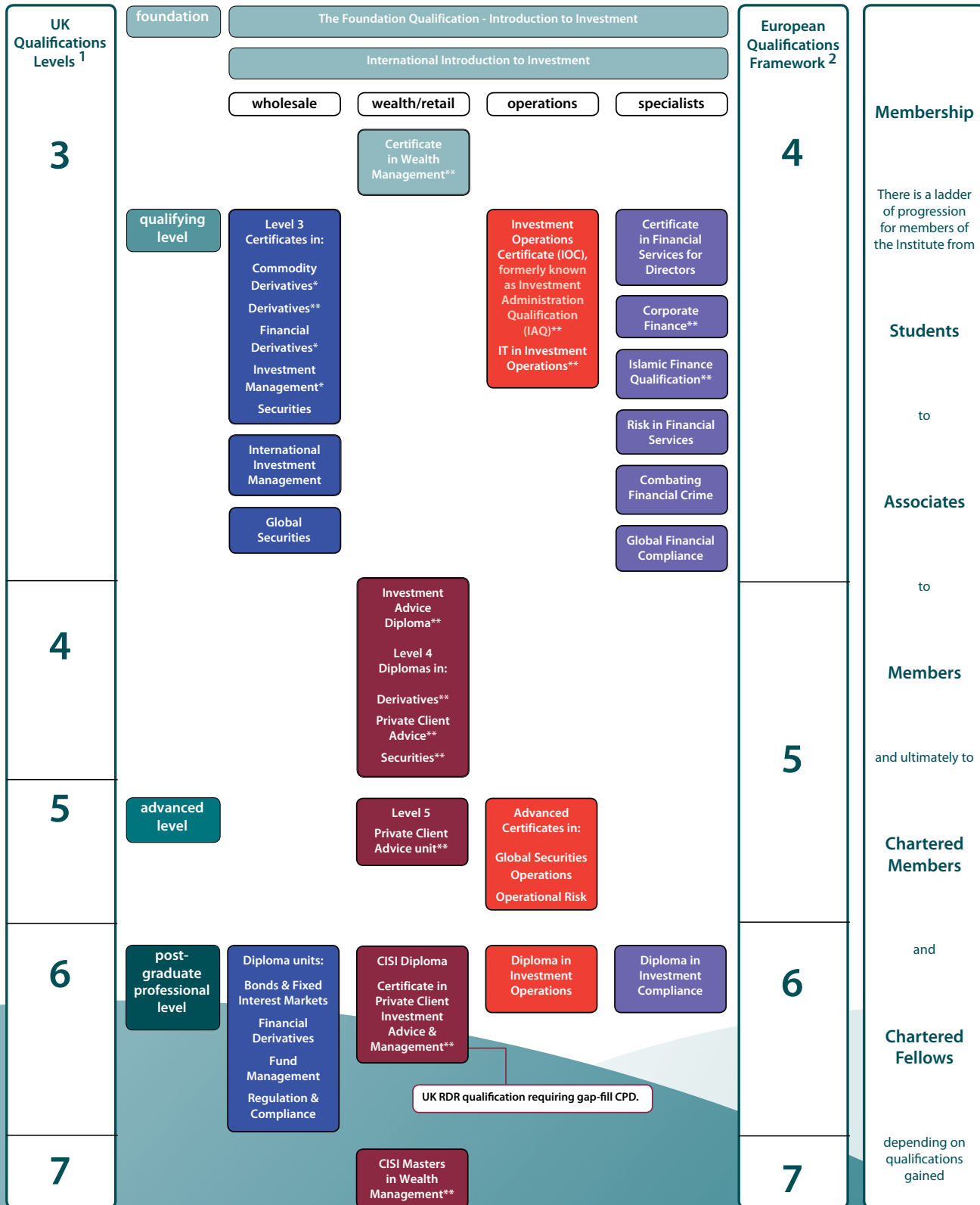
- ✓ graphics
- ✓ interactive exercises
- ✓ multiple choice revision questions
- ✓ useful website links
- ✓ tests on IFQ terminology throughout.

For more information visit cisi.org/elearning

Accredited Training Providers (ATPs)

Formal training is available through CISI Accredited Training Providers. The CISI accredits those providers that demonstrate that they deliver high quality training and support to candidates preparing to sit CISI exams. To find an ATP near you, visit cisi.org/atp

The Qualifications and Credit Framework



1. This column is a guide only. Within the chart, National Qualifications Framework* and Qualifications and Credit Framework** accredited qualifications are marked accordingly.

2. The European Qualifications Framework is an overarching qualifications reference framework that links the qualifications of different countries together.

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ISLAMIC FINANCE QUALIFICATION

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