



INSTITUTE OF
ISLAMIC BANKING
AND INSURANCE

Certificate in Takaful

IIBI Qualification for the
Islamic Financial Services Industry

There is an increasing number of financial institutions offering Islamic financial services as part of their spectrum of services and as a result there is increasing demand for staff with relevant knowledge and skills.

DISCOVER NEW PERSPECTIVES

INSTITUTE OF ISLAMIC BANKING AND INSURANCE (IIBI) LONDON

Welcome to the IIBI located in London, a world leading Institute for high quality education, training, research and publications in Islamic finance.

ABOUT IIBI

Founded in 1990.

As an independent non-profit organisation IIBI has played a pioneering role towards raising the awareness of Islamic banking and insurance worldwide and contributing to the advancement of education that impact on individuals careers and abilities and raising the standards of performance and the moral basis of the Islamic financial services industry.

Building knowledge, developing core competence

The aim of all the courses is to progressively build a comprehensive understanding of the Islamic economic order and help to understand from the beginning how the broad principles and practices adopted in Islamic banking and takaful differ from conventional banking and insurance. The courses are designed to also enable students to have the appropriate knowledge and skills to attain, and subsequently to maintain, competency at work as well as to help advance education and understanding in all the important areas disciplines. More importantly, the courses focus also on the moral code that emphasises the obligations of professional practice, social responsibility and personal accountability in all dealings.

Qualifications can also serve as an objective measurement of your knowledge and technical awareness.

Membership and Discussion Forum

Students will have access to a Members discussion forum where they can view comments posted on the forum and also post their own views on a broad range of issues for discussion. This will also help students with their studies.

The mission of the IIBI is to be a centre of excellence for professional education, training, research and related activities, to build a wider knowledge base and deeper understanding of the world of finance promoting the Islamic principles of equity, socio-economic justice and inclusiveness.

The IIBI has played a major role in Islamic finance in London through its lectures, seminars and courses. Its diplomas are internationally recognised, and have been taken by hundreds of Muslims and non-Muslims interested in Islamic finance.

Professor Rodney Wilson,
Durham University School of
Government and International Affairs, UK
October 2010

What students say about other IIBI courses

In all, my experience of IIBI and the Diploma in Islamic Banking was a great one, and one that has not only provided me with knowledge that will assist me in my chosen career path, but knowledge of an ever growing and increasingly popular form of banking in the vastly changing theatre of finance.

Saad M. Sheikh
District Field Manager, Scottish & Southern Energy, UK
October 2010

The Post Graduate Diploma course was complete, enriching and inspiring. It allows one to fully dive into the concepts of Islamic finance and grasp its roots, perspectives and applications in the real world. I also enjoyed how resourceful the tutor was, and he enriched my knowledge by constantly bringing new insights as the course went on.

Mohamed Charaf Sekkat
Traderforce, France
March 2010

IIBI CERTIFICATE IN TAKAFUL

Why this course?

The IIBI Certificate in Takaful is a comprehensive course providing a basic qualification for those working in the takaful industry and wishing to learn about the important insurance principles and the Shari'ah parameters for offering insurance products and services according to Islamic principles.

It has been designed keeping in mind the expectation of employers and will offer students an integrated programme of learning providing an understanding of the fundamental concepts and practical aspects of some of the key areas of takaful business and operations. By covering a broad range of topics, the Certificate allows students to develop the knowledge with confidence. It also supports further learning as students progress in their careers or studies.

Who should do the course?

The IIBI Certificate in Takaful is appropriate for a diverse range of people, irrespective of education background, including is appropriate for:

- Those who have no formal qualification in takaful but wish to gain basic insurance knowledge and an understanding of Islamic insurance (takaful) principles, key areas of operations and business;
- Those wishing to pursue a career in Islamic insurance (takaful) and those serving in the industry in their career progression;
- Those employed in an insurance company or organisation whose primary business is not insurance, but which offers takaful products as part of its overall service to customers;
- Anyone wishing to hold a qualification in takaful from a well established and respected Institute;
- Those wanting to develop their knowledge and understanding as part of a progression towards completion of other qualifications offered by the IIBI;
- Those wishing to pursue further study.

Course objectives

The course will enable students to:

- Understand how the Islamic principles that are universal and eternal are applied in insurance operations according to structural, financial, and functional characteristics to achieve desired outcomes;
- Determine the desirable lessons that can be learnt from Islamic principles by other systems offering commercial insurance;

- Understand the central concepts that raise awareness of the obligations of professional practice and personal accountability that support the development and growth of the real economy;
- Understand both the challenges and the opportunities that arise in the Islamic insurance (takaful) industry.

Entry Requirement

There is no formal requirement. Applicant should be at least 18 years old at the time of submitting the application. However, applicant must have a high level of competency in all aspects of English (reading, comprehension and writing) and should also be computer literate. The comprehensive Certificate course assumes no previous knowledge of insurance or Islam.

Individuals who have insurance qualifications from other organisations or professional bodies would be entitled to apply for exemption from certain modules or lessons.

Duration of course

Students are expected to complete study of the full course in 6 months.

Learning Method

The course is delivered by distance learning to assist those with work and/or family commitments. Learning materials for the lessons of each course will be made available on IIBI's Virtual Learning Environment.

Assessment & Tutor Support

Assessment is through assignments that are provided at the end of the study lessons. Usually, there will be two or three questions to the assessment. Students will need to obtain a satisfactory assessment to continue to the next lessons. All students are assigned a tutor for assessment of course assignments.

Course Fee Information

£195 sterling (fee is subject to change)

The fee covers the cost of registration, membership, course study material, tutor assessment and support.

How to apply

The application form can be completed and submitted online by visiting the IIBI website at http://www.islamic-banking.com/course_app_form.aspx

Course Syllabus

Module 1: Insurance

Lesson 1

Risk and Insurance

Lesson 2

Nature of Insurance and Benefits to Society

Lesson 3

Legal Aspects of Insurance

Lesson 4

Contract of Insurance

Lesson 5

Insurance Company Operations

Module 2: Framework of Takaful

Lesson 1

Character of Islamic Insurance

Lesson 2

Concept of Takaful

Lesson 3

Operating Principles for Takaful Business

Module 3: Takaful Business

Lesson 1

Family Takaful (Life) - key products and operational issues

Lesson 2

General Takaful (Non-Life) - key products and operational issues

Lesson 3

Retakaful of Takaful Business (Reinsurance)

Lesson 4

Investment Considerations

Lesson 5

Marketing and Distribution of Takaful Products

Module 4: Governance and Regulation of Takaful

Lesson 1.

Regulation of Insurance Business

Lesson 2.

Governance and Shari'ah Compliance

Lesson 3.

Accounting and Financial Issues

Insurance plays a vital role in society supporting both national and international economic development and growth.

The takaful industry in particular, offering insurance based on Islamic principles, is showing remarkable growth. This is evidenced by the increasing number of takaful operators world-wide and the ability of these players in providing a comprehensive range of product and services, matching those offered by the conventional counterpart.

Unlike conventional insurance where the primary motive is to generate profit for the benefit of the shareholders, in takaful, as with mutual insurance, the business is conducted for the benefit of the participants (policyholders) who are entitled to also share in the profit of the business.

The Shari'ah prohibits investment of the stakeholders fund and the takaful participants fund in businesses that are engaged in activities that are considered unlawful, immoral or unethical.

If insurance did not exist a large proportion of the rest of the economy would not exist either. Without a reliable mechanism for pooling and transferring risk, much economic activity simply would not take place. Along with banking and the joint-stock company, insurance is one of the three pillars on which modern commerce is based. (Arrow: 1963)

Mutual insurance caters for the social needs of those in need, the poor orphans, widows and other dependants. Pure mutual insurance companies accord with the principles of the Shari'ah.

PROGRESSION ROUTE AT IIBI

Introductory

Certificate in Takaful

The course does not assume any previous knowledge of insurance and Islamic principles

This course will suit everyone and has been designed to give an introduction to form the basis of future learning in the field of Islamic insurance.

Intermediate

Diploma in Islamic Banking

Diploma in Takaful

(launch 2012)

The courses provide a more than basic understanding and a good foundation for those wishing to pursue a career in Islamic banking and takaful. The courses do not assume any previous knowledge of banking, insurance or Islamic principles.

Advanced

For those who want to specialise in a chosen area of operations. Offered as individual modules.

Sukuk

Modes of Financing & Investment : Murabaha

Modes of Financing & Investment : Musharakah & Mudarabah

Modes of Financing & Investment : Ijarah

Islamic Retail Banking Operations

Islamic Project Finance

Islamic Trade Finance

Shari'ah & Legal Considerations for Structuring Islamic Banking Products & Services

Shari'ah & Legal considerations for Structuring Takaful Products & Services

Technical and Risk Considerations in Takaful

Investment Management for Takaful

Legal Structures and Shari'ah Considerations for establishing Islamic Banks and Takaful Companies

Marketing for Islamic Financial Products and Services

Role of Shari'ah Scholars and Shari'ah Supervisory Functions in Islamic Finance

(launch from 2012)

Qualifications offered by IIBI are accepted worldwide. The courses are structured to provide a wealth of learning experience and an understanding of the moral and behavioural code that govern all dealings in Islamic finance. Islamic banks and Islamic insurance (Takaful) operators have to operate within the parameters laid down by the Shari'ah and take personal responsibility for their actions.

Over the last 20 years the IIBI has proved to be a most durable and invaluable organisation. In the mid 1990s, when Islamic Finance was not as mainstream as it is now, it was one of the very few bodies where you could get information on Islamic finance. The way in which the IIBI has expanded its training and educational programmes is to be highly commended. The work of the IIBI has helped to raise the profile of the UK as a leading Islamic finance centre and I am confident that it will continue to be a key provider of education, training and research services in the years to come.

Richard T. de Belder

Partner and Global Head of Islamic Finance, Denton Wilde Sapte LLP, International law firm.

Post Graduate

Post Graduate Diploma in Islamic Banking and Insurance

The course does not assume any previous knowledge of banking and insurance as well Islamic banking and takaful.

The course progressively builds knowledge from the beginning to a comprehensive understanding with considerable knowledge of the practical aspects.

It also builds upon existing experience and qualifications.

Master & Research

A number of organisations recognise the IIBI PGD as an entry requirement for their Master and Research programmes.

(Subject to final approval for each programme by the relevant organisation)

Durham University in UK

Durham Islamic Finance Programme (DIFP), based in the School of Government and International Affairs of Durham University, UK recognises the IIBI PGD as an entry qualification for its postgraduate degrees in Islamic Finance (including the MA & MSc in Islamic Finance and the Research MA).

Markfield Institute of Higher Education (MIHE)

Markfield Institute of Higher Education (MIHE), UK will admit holders of IIBI PGD to the Top Up MA Degree in Islamic Banking, Finance and Management, validated and awarded by the University of Gloucestershire.

THE CHALLENGE

It is well known that Islam rejects the institution of riba (interest) and gharar (as in excessive uncertainty) and maysir (gambling) and considers these as unjust and exploitative. These have been abstract and highly profound concepts that are being translated into concrete and operative instruments and laws offering an alternative financial system. It is important to study all these concepts in depth and also implement them fully and ungrudgingly in all financial dealings.

For your own sake, accept anything good wherever you find it. Do not stick to stereotyped philosophies.

Muazzam Ali, Founder & Chairman IIBI

Finally

It goes without saying that in any organisation, financial or otherwise, the human factor is the most important by far.

At IIBI we are very proud to be contributing to the continuing development of staff to give them the very best understanding and knowledge in key areas of operations in Islamic banking and takaful.

“Help ye one another in righteousness and piety...”

5:2 The Holy Qur’an

Islamic insurance, takaful, is emerging as a viable alternative to conventional insurance as it provides insurance coverage for commercial risks as well as a wide range of family and savings products that are competitive and more importantly compliant with Shari’ah principles. It offers attraction to non-Muslim investors due to its ethical values. Takaful has greater potential to grow alongside Islamic banking.



Institute of Islamic Banking and Insurance
London, United Kingdom.

T: + 44 (0)20 7245 0404

F: +44 (0)20 7245 9769

E: iibi@islamic-banking.com

www.islamic-banking.com

ILM – Knowledge

“O my Lord! Increase me in knowledge”

(The Qur’an, 20:114)