

The rapid growth in Islamic finance has highlighted a shortage of staff experienced in this specialised field. John Rogers explains how a new qualification aims to address this.

islamic finance – understanding the basics

■ **A modern, successful investment marketplace needs to be underpinned by integrity, innovation, depth, sophistication and prestige and – most of all – by highly qualified professional staff.**

When the current Government announced that it would help to ensure London became the leading Islamic finance centre outside the Middle East, the City itself had already set its sights firmly on that goal. The Government and the Financial Services Authority have helped by ensuring that those developing Islamic finance do not encounter extra obstacles.

The growth in Islamic finance has been – and remains – phenomenal. Some recent estimates have put the total global figure for such finance and banking assets as high as US\$1 trillion, with growth at 10 to 15% a year.

Whilst retail products are being developed to meet the needs of the UK's Muslim population, they have been totally eclipsed in volume by internationally-led Islamic finance transacted through London. This has meant that, as is the case with conventional finance, international investment banks – including US ones – are choosing to transact Islamic finance in London in preference to markets in their home countries.

a benchmark qualification

London's continuing success relies heavily on its pool of talent and huge professional expertise and it has become clear that there is a shortage of key professionals conversant with Islamic finance. By the same token, London is leading the charge to make good that deficiency, having recently introduced a global benchmark qualification, the Islamic Finance Qualification (IFQ).

IFQ has been developed to support investment professionals operating in Islamic Finance or needing to understand it better. IFQ is a joint initiative between the leading Lebanon-based Middle East business school, Ecole Supérieure des Affaires, and the

Securities and Investment Institute (SII). The project – available globally via computer-based training – has drawn on Islamic finance experts from around the globe during its development.

It is hardly surprising – but nonetheless significant – that candidates from as far apart as Milan and Johannesburg have already sat the examination. One distinguishing feature of the IFQ is that it is aimed at busy investment professionals who need practical, rather than purely theoretical, knowledge.

Like ACCA, SII has a network of accredited training providers in the UK and overseas and some of these are now offering IFQ training. The qualification is underpinned by a comprehensive workbook, containing a

Most months, the Islamic Finance Gateway organises seminars which address current developments and issues and which offer ideal networking opportunities.

For further information about the IFQ or its workbook, visit www.sii.org.uk.

For information about the Islamic Finance Gateway, visit www.ifgateway.blogspot.com. ■

John Rogers – Director of International Development, Securities & Investment Institute

'International investment banks – including US ones – are choosing to transact Islamic finance in London in preference to markets in their home countries.'

wealth of practical information and well worth studying in its own right.

Also of little surprise is the interest being shown in the IFQ from Middle Eastern countries. For example, the Qatar Islamic Bank is recommending that its staff in the investment, finance and insurance sectors should become IFQ candidates.

Of course, whilst gaining one's Islamic finance credentials by succeeding at the IFQ will become an important career milestone, it is perhaps even more crucial for Islamic finance professionals to be able to demonstrate that they are continuing to build their knowledge and contacts.

islamic finance gateway

The Islamic Finance Gateway has been formed to meet these needs and that is why SII recently became one of its first sponsors.

ACCA and SII

During 2006 the Securities & Investment Institute (SII) and ACCA signed a global partnership agreement.

Under the agreement, the two organisations will co-operate, collaborate and share resources around the world to support the work of nearly 130,000 finance professionals.

ACCA offers SII exams and qualifications to members around the world and SII offers advantageous terms for ACCA members and affiliates to also become SII members.

For further information on SII visit www.sii.org.uk.