



INCEIF
UNIVERSITY



VALUE-BASED BANKING AND SHARIAH AUDIT CERTIFICATE

Target Regions: Asian Countries, East and Central Europe Countries
3.00 PM – 9.00 PM (Malaysian Time) GMT +8



24 July – 28 July 2023



Online (Zoom Platform)

ABOUT **MTCP**



The Malaysian Technical Cooperation Programme (MTCP) was officially launched on 7 September 1980 at the Commonwealth Heads of State Meeting in New Delhi, India, to signify Malaysia's commitment to the South-South Cooperation, in particular, the Technical Cooperation among Developing Countries (TCDC).

The MTCP emphasises the development of human resources through the provision of training in various areas which is essential for a country's development. These areas include diplomacy and diplomatic practices, economy, good governance, education, tourism, environment, social development, halal industry, safety and security as well as technology, among others. As of 31st December 2022, 37,055 participants from 144 recipient countries have benefited from the various programmes offered under the MTCP.

OBJECTIVES **OF THE MTCP**



To share development experience with other countries;



To strengthen bilateral relations between Malaysia and other developing countries;



To promote South-South Cooperation (SSC); and



To promote Technical Cooperation among Developing Countries (TCDC).

HOW TO APPLY/ APPLICATION GUIDELINES



The course fees are fully sponsored by the Government of Malaysia.



Applications should be made using the prescribed MTCP forms available at [https://mtcp.kln.gov.my/mtcpforms/MTCP2023_APPLICATION_FORM_\(ONLINE_COURSE\).pdf](https://mtcp.kln.gov.my/mtcpforms/MTCP2023_APPLICATION_FORM_(ONLINE_COURSE).pdf)



MTCP application forms can also be obtained from the nearest Malaysian Embassy/High Commission in recipient countries.



All application forms must be duly completed and endorsed by the Ministry of Foreign Affairs or National Focal/Aid Coordinator Agency in the respective countries and submitted ONLY through the diplomatic channel via the Embassy/High Commission of Malaysia.



Successful applicants will receive the Official Invitation notification one (1) week from the course date via email.



Closing date of application submission:

23 June 2023

ABOUT PROGRAMME

The programme is developed to provide knowledge and skills for good governance practices within Islamic Financial Institutions. Strong governance practices are part of the Environmental, Social and Governance (ESG) development for the banking institution in ensuring a positive impact towards the environment and society. This is aligned with the overall objective of the global SDG initiatives.

The programme is developed to provide insight to the participants with the understanding of the Shariah governance framework, Value-Based Intermediation Banking Framework and internal Shariah Auditing Process. The participants will also be exposed to Shariah governance and internal control frameworks, laws, regulations, guidelines and standards for IFIs. Participants will be able to explore the Malaysian practice of value-based banking that is aligned with global sustainability development including ESG, with a focus on strong governance practice. As Islamic finance institutions, they are required to ensure that the institutions' practices, services and products are aligned with Shariah principles and objectives. Value-Based Banking framework shall require the Islamic institutions to have a strong governance framework which includes a robust Shariah auditing system in place.



OBJECTIVES

The objectives of the programme are to:

- 01** Provide the participants with the necessary skills to apply Shariah principles governing financial transactions as best practices in the industry
- 02** Provide the participants with exposure to the value-based banking framework that is aligned with Shariah's objective
- 03** Provide the participants with tools to evaluate the shariah governance and internal control frameworks, laws, regulations, guidelines & standards for Islamic Financial Institutions (IFIs)

PROGRAMME LEARNING

OUTCOME



Professional development for Islamic finance practitioners to be fully equipped with Shariah auditing knowledge and skills;



Contribute to the capacity-building needs of regulators and Islamic financial institutions in the participating countries.

PROGRAMME ITINERARIES

Day 1 - 24 July 2023

| TIME (GMT +8) | DESCRIPTIONS |
|---------------------|---|
| 03.00 pm – 03.15 pm | Opening Ceremony |
| 03.15 pm – 04.15 pm | Global Development of Islamic Banking & Innovation |
| 04.15 pm – 04.30 pm | Break |
| 04.30 pm – 05.30 pm | Regulatory and Legal Framework Development – Sustainability Banking Development |
| 05.30 pm – 05.45 pm | Break |
| 05.45 pm – 07.00 pm | Group Activity |
| 07.00 pm – 08.00 pm | Break |
| 08.00 pm – 09.30 pm | Sustainable Islamic Banking: Concept of Value-Based Banking (Malaysian VBI Framework) |

Day 2 - 25 July 2023

| TIME (GMT +8) | DESCRIPTIONS |
|---------------------|--|
| 03.00 pm – 04.00 pm | <ul style="list-style-type: none"> The concept of Shariah Governance in Islam Shariah Governance and Compliance Framework for IFIs in Malaysia – Application of the Shariah Governance Framework for Takaful Operator |
| 04.00 pm – 04.15 pm | Break |
| 04.15 pm – 05.15 pm | Industry Guest Lecture I |
| 05.15 pm – 05.30 pm | Break |
| 05.30 pm – 06.30 pm | <ul style="list-style-type: none"> Group Activity <p><i>Participants will be grouped into ZOOM break room to discuss on identified case studies which will require them to present the results of the discussion.</i></p> |
| 06.30 pm – 07.30 pm | Break |
| 07.30 pm – 09.00 pm | <ul style="list-style-type: none"> Control Functions of Shariah Governance: <ul style="list-style-type: none"> Shariah Risk Management Shariah Review Shariah Audit Governance Requirement Under Malaysian Value-Based Intermediation Framework – Towards Value Impact Banking |

PROGRAMME ITINERARIES

Day 3 - 26 July 2023

| TIME (GMT +8) | DESCRIPTIONS |
|---------------------|---|
| 03.00 pm – 04.00 pm | Understanding Fundamentals of Shariah Audit <ul style="list-style-type: none"> • Concept of Shariah Audit • Differences between Shariah Audit and Shariah Review • Internal Shariah Audit Process |
| 04.00 pm – 04.15 pm | Break |
| 04.15 pm – 05.15 pm | Industry Guest Lecture II |
| 05.15 pm – 05.30 pm | Break |
| 05.30 pm – 06.30 pm | <ul style="list-style-type: none"> • Group Activity <i>Participants will be grouped into ZOOM break room to discuss on identified case studies which will require them to present the results of the discussion.</i> |
| 06.30 pm – 07.30 pm | Break |
| 07.30 pm – 09.00 pm | Audit Planning and Audit Fieldwork <ul style="list-style-type: none"> • Develop Audit Planning and Analytical Procedures • Audit objective, programme, testing and assess Shariah Non-Compliance Risk |

Day 4 - 27 July 2023

| TIME (GMT +8) | DESCRIPTIONS |
|---------------------|--|
| 03.00 pm – 04.00 pm | Introduction to Shariah Non-Compliance Risk (SNCR) <ul style="list-style-type: none"> • Risk and Shariah Non-Compliance Risk • Types of Risks and Operational Risk • Concept of Shariah Non-Compliance Risk |
| 04.00 pm – 04.15 pm | Break |
| 04.15 pm – 05.15 pm | Shariah Compliance <ul style="list-style-type: none"> • Why Shariah Compliance is Needed? • Shariah Compliance in the context of regulation • What is Shariah Compliance? • Meaning of Shariah Compliance in Micro Perspective |
| 05.15 pm – 05.30 pm | Break |

PROGRAMME ITINERARIES

Day 4 - 27 July 2023 (cont)

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|---------------------|--|
| 05.30 pm – 06.30 pm | <p>Shariah Compliance</p> <ul style="list-style-type: none"> • The underlying requirements for Shariah compliance contracts • Looking beyond complying with general principles – Value-based concept on embedding the value of Shariah objectives (Maqasid Shariah) |
| 06.30 pm – 07.30 pm | Break |
| 07.30 pm – 09.00 pm | <p>SNCR and Lines of Defence</p> <ul style="list-style-type: none"> • Area of Shariah Non-Compliance Risk • Instruments/ Aspects used to identify Shariah Non-Compliance Risk • Lines of Defence • Legal Documentation: Definition and Shariah Concern |

Day 5 - 28 July 2023

| TIME (GMT +8) | DESCRIPTIONS |
|---------------------|--|
| 03.00 pm – 04.00 pm | <p>Shariah Audit Disclosure in Practice</p> <ul style="list-style-type: none"> • Accumulate evidence • Designing Shariah plan • Meeting process owner |
| 04.00 pm – 04.15 pm | Break |
| 04.15 pm – 05.45 pm | <p>Shariah Audit Disclosure in Practice</p> <ul style="list-style-type: none"> • Evaluate Results • Shariah Audit Reports • Case Study |
| 05.45 pm – 06.00 pm | Break |
| 06.00 pm – 07.00 pm | <ul style="list-style-type: none"> • Group Activity <p><i>Participants will be grouped into ZOOM break room to discuss on identified case studies which will require them to present the results of the discussion.</i></p> |
| 07.00 pm – 08.00 pm | Break |
| 08.00 pm – 08.30 pm | Closing remarks |