



SHARIAH INVESTING

WORKSHOP BROCHURE

October 2021

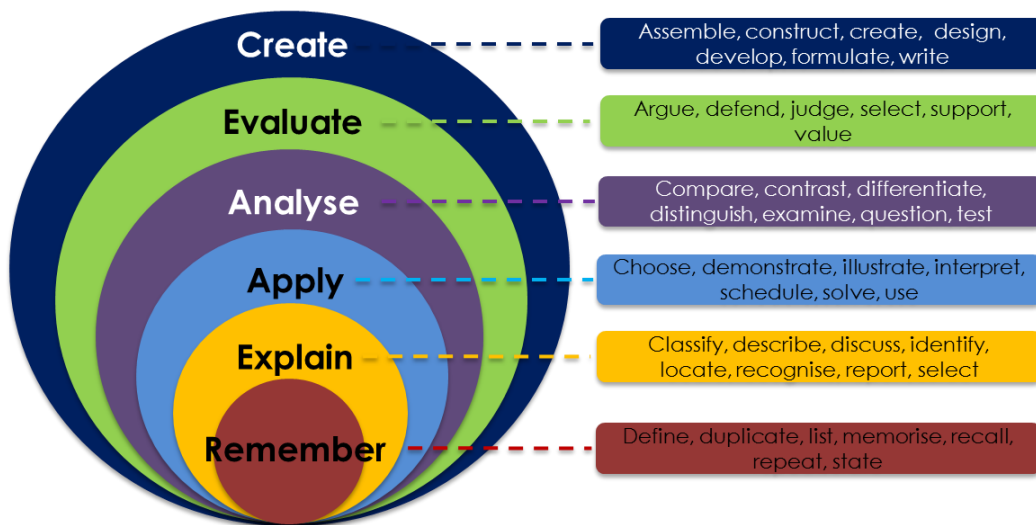
1. ASISA ACADEMY VISION, TRACK RECORD & ACCREDITATION

The ASISA Academy creates and delivers high quality solutions to meet the skills development needs of South African Savings, Life Assurance and Investment Management organisations. The Academy resulted from the need for a fresh approach to developing savings and investment management skills and achieving broader, more rapid transformation of the industry using an approach that responds to industry realities and is delivered by industry experts in an academically sound manner.

More than 11,000 people in the Southern African financial services sector have learned with the ASISA Academy since 2008 with over 800 industry presenters keeping the learning rooted in reality. The Academy has a **Level 1 B-BBEE rating**. The ASISA Academy creates and delivers high quality solutions to meet the skills development needs of South African Savings, Life Assurance and Investment Management organisations. Our learning solutions are informed by and responsive to industry realities, delivered in an academically sound and practitioner-led manner. The Academy resulted from the need for a fresh approach to developing investment management and life insurance skills and achieving broader, more rapid transformation of the industry.

2. APPROACH TO LEARNING

We work hard at the ASISA Academy to ensure every learning experience is as interactive as possible. To achieve this, we draw on the expertise of some of the most experienced and specialised professionals in the industry and we limit the size of our groups. The following diagram captures the Academy approach to learning. We aim to achieve the bulk of our learning in the biggest circles.



3. WORKSHOP OVERVIEW

Shariah-compliant funds are investment funds governed by the requirements of Shariah law and the principles of the Islamic religion. This introductory workshop aims to provide delegates with an overview of Shariah investing, its origins, how to implement and administer Shariah compliant investments and the relevant governance considerations.

4. LEARNING OUTCOMES

The following page summarises each Learning Area and the Learning Outcomes covered in the course.

#	LEARNING AREA	LEARNING OUTCOMES - by the end of the course successful delegates will be able to...
1	Defining Shariah and its origins	<ul style="list-style-type: none"> a) Explain the origins of the term. b) List the primary and secondary sources of Shariah (Quran, Hadith, concept of analogy, Islamic jurisprudence). c) Demonstrate how the Shariah principles ensure ethical investing. d) Contrast an Islamic approach to finance with a conventional approach to banking & investments.
2	Implementing Shariah investments	<ul style="list-style-type: none"> a) Explain the two tests for determining whether an asset is Shariah compliant. <ul style="list-style-type: none"> i. Qualitative – core activity tests ii. Quantitative – financial ratio tests b) Describe the Shariah investment universe and investable instruments. <ul style="list-style-type: none"> i. Identify permissible asset classes ii. Contrast equity and non-equity securities iii. Listed and unlisted securities c) Describe the different types of Shariah funds. d) Explain the benefits of a diversified Shariah portfolio. e) Debate whether it is necessary to appoint a Muslim individual to manage the fund.
3	Administration of a Shariah fund	<ul style="list-style-type: none"> a) Describe the additional fees and costs of Shariah funds over and above a traditional CIS or retirement fund. b) Define the concept of incidental impermissible income in the context of an investment. c) Provide examples of the deduction and distribution of impermissible income. d) Debate the appropriate frequency for calculating impermissible income. e) Describe the feedback loop from compliance to portfolio manager. f) Show when it is appropriate to outsource this compliance process. g) Discuss the tax implications of Shariah investments.
4	Shariah fund governance	<ul style="list-style-type: none"> a) Describe the roles of the following regulatory authorities: <ul style="list-style-type: none"> i. Accounting and Auditing Organisation for Islamic Financing Institutions (AAOIFI) ii. Islamic Financial Services Board (IFSB) iii. Financial Sector Conduct Authority (FSCA) b) Describe the roles of the Shariah Supervisory Board and the composition of its members. c) Explain the role of the external auditor in ensuring Shariah compliance. d) The post-investment internal compliance process. <ul style="list-style-type: none"> i. Qualitative – core activity tests ii. Quantitative – financial ratio tests

5. WORKSHOP PRESENTER



FARIED BOLTMAN

Faried has more than thirty years' experience in CIS administration and has served on numerous CIS industry association committees including ASISA's. He has also worked with the FSCA, SARB, National Treasury and assisted several other African governments in developing their CIS industries. Faried has many years' experience in the Shariah CIS industry with broad experience of Shariah CIS operations and SSB operations due to his attendance at Shariah Supervisory Board meetings. Faried is a Trustee of a Trust which distributes Impermissible Income. He regularly presents on the ASISA Academy CIS Short Course.

6. CONTACT INFORMATION

For more information contact us via email on LEARN@asisaacademy.org.za

Or visit our website www.asisaacademy.org.za