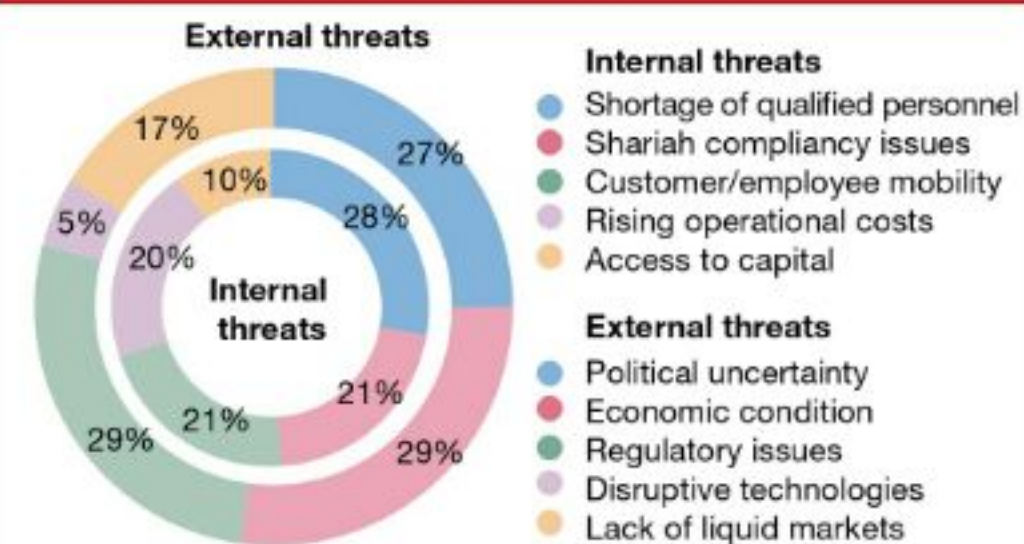
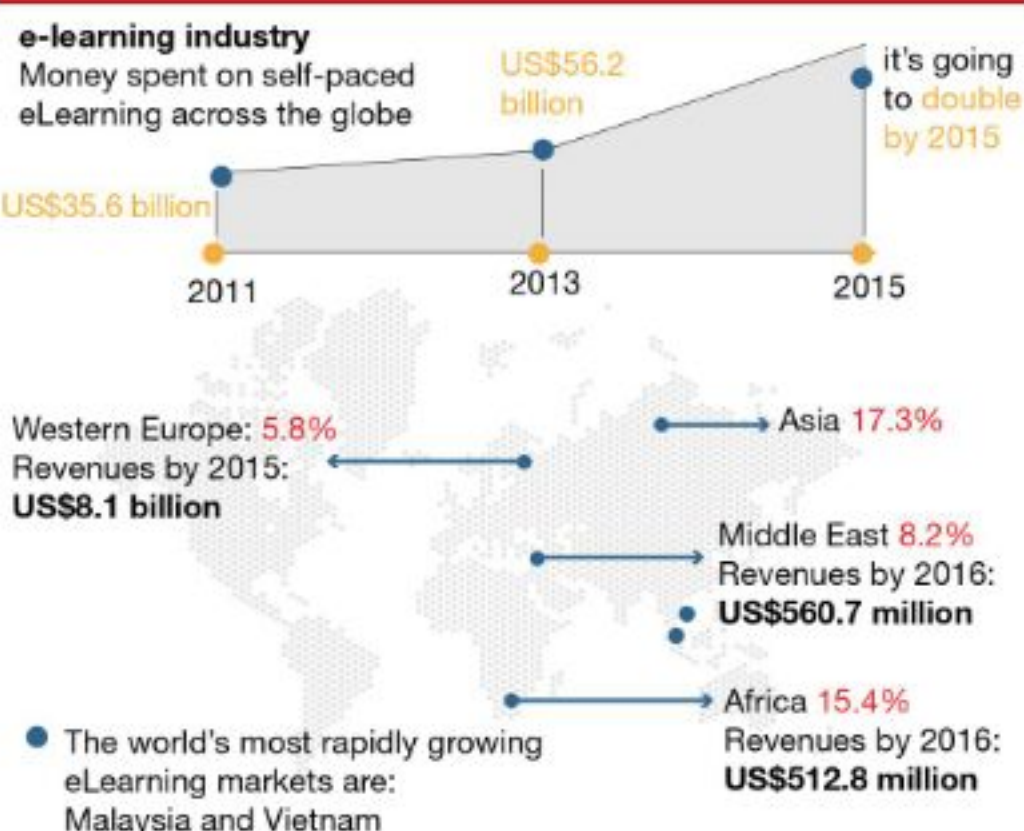


**Chart 3: Biggest threats facing Islamic banks**



Source: Survey from Islamic Finance Outlook Report 2016 by Finance Forward

**Chart 4: The e-learning industry**



Source: <http://elearninginfographics.com/elearning-statistics-2014-infographic/>

one set up in Karachi in partnership with the Institution of Business Administration seems to be the most active and relevant.

Another major development seen in the professional Islamic finance qualification space was the Bahrain Institute of Banking and Finance (BIBF) and the University of Bolton MBA Islamic finance progression route agreement – the first of its kind in the world. The BIBF is the training arm of the Central Bank of Bahrain and prides itself in launching the first-ever Islamic finance professional qualification, the Advance Diploma in Islamic Finance (ADIF), in 2001. According to the progression route agreement between the BIBF and the University of Bolton, ADIF graduates need to spend four intensive weeks at the University of Bolton UK campus. They will also have to submit an applied thesis, upon completion of which, they are awarded an MBA in Islamic finance from the University of Bolton.

## e-Learning

2016 also witnessed a shift by major Islamic finance organizations toward online courses and programs. The IDB's Islamic Research and Training Institute (IRTI) signed an agreement with edX, an online learning platform founded by the Massachusetts Institute of Technology and Harvard University, to deliver massive open online courses in Islamic economics, banking and finance through edX. The IRTI offers through the edX platform free online courses for capacity development under a project aimed at expanding access to knowledge in Islamic economics, finance and banking to support the development of a dynamic Islamic finance sector.

We also saw the IFSB launch its Standards e-Learning Portal which aims to facilitate the implementation of IFSB standards. The portal complements the current implementation activities being conducted by the IFSB, including the FIS Workshop Series and technical assistance which are aimed at increasing the understanding and adoption of the standards, guidance notes and technical notes issued by the IFSB.

2016 also saw Islamic finance's most prominent standard-setting body, the AAOIFI, partner with the BIBF to bring all AAOIFI

standards onto an e-learning platform. The BIBF inaugurated the portal in November 2016 at the AAOIFI Conference in Bahrain. The first phase of the launch is planned to be in January 2017 and shall see all Shariah standards in English put on an online e-learning platform followed by accounting, auditing and governance standards.

## Preview of 2017

The next year will see more students and professionals opt for high-quality online e-learning. This is also in line with the general global trend in education. According to the e-Learning Report 2014-16, the fastest-growing markets in this space are Malaysia and Vietnam. The report states that Africa and the Middle East are seeing the highest growth percentage increase in e-learning in the world. All these are mostly Muslim-majority jurisdictions and will have a huge positive impact on Islamic finance training as well as the entire industry as a whole.

## Conclusion

Although there is an acute skill gap in the Islamic finance space, it is very pertinent to understand that there is no lack of graduates with Islamic finance degrees or qualifications. These graduates unfortunately are of little value to Islamic financial institutions as they need to spend time and resources to bring new hires up to speed on the actual applied and operational side. As someone who has been part of the industry as well as the training and education side of Islamic finance, I strongly advise educational and training institutes to concentrate on applied hands-on teaching rather than a heavily theoretical curriculum. Going forward, I would like to see more of this mindset permeate into our system. <sup>(2)</sup>

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