

CBK Launches the Sixth “Certified Shari’a Auditor” Program

The Governor of the Central Bank of Kuwait Basel A. Al-Haroon announced the sixth round of the “Certified Shari’a Auditor” Program, geared towards enhancing governance of Shari’a auditing in the Islamic banks business in Kuwait. The program is part of “Kafa’a Initiative” which was launched in collaboration with Kuwaiti banks and is managed and executed by Kuwait Institute of Banking Studies (KIBS).

The Governor noted the importance of the program for Shari’a-compliant financial institutions, where auditing is a fundamental component of Shari’a governance. It is more critical, he added, in view of developments in the Islamic banking sector and banking industry in general. The banking and finance sector’s need for introduction of more specialized cadres as well as enhancement of capabilities of current cadres was the reason for which this program had been devised and behind its success, he added.

The Governor further noted the popularity of the program to-date and that the five previous runs offered to Islamic banking institutions had produced national cadres of distinguished capabilities who succeeded in securing this certification, which is now a professional requirement to practice in the field of Shari’a auditing on the CBK- and CMA-regulated of Islamic financial and banking institutions.

Capacity building in all facets of financial, economic, and banking business in Kuwait, including Shari’a-compliant financial and banking services, is a strategic goal for the CBK, to supplement the financial and banking sector in the country with trained and qualified cadres at the highest level in all fields, capable of pushing the Kuwaiti banking industry further ahead.

The CBK had on 20/12/2016 issued instructions regarding “Governance of Shari’a Auditing in Kuwaiti Islamic Banks”, which included a set of controls for Shari’a auditing. This pertained to the general requirements of the Shari’a auditing governance framework, its principles, the respective roles of the Board of Directors, executive

management, and the Shari'a auditing authority, as well as internal and external Shari'a auditing, the scope and objectives of Shari'a auditing, and the prerequisites for those who may engage in Shari'a auditing business. Obtaining certification is a main prerequisite for all CBK-regulated entities, and the certification is also a professional Capital Markets Authority requirement for those who may practice in this field.

In conclusion, the CBK Governor highlighted the main advantages of this certification, which focuses on theoretical aspects of the Islamic financial industry and the practical aspects of Shari'a auditing, all in line with global best practices and utilizing the latest science and literature in the field.

More information on Shari'a Auditing Certification and the Program Registration Form may be found through Kafaakw.org.