



**Enhanced Competency Framework on Credit Risk Management  
(ECF-CRM)**

**Frequently Asked Questions**

**General**

**1. Is it mandatory for Relevant Practitioners (RPs) to obtain the ECF certification?**

While the ECF-CRM is not intended to be a mandatory licensing regime, Authorized Institutions (AIs) are encouraged to make use of it to enhance the level of core competence and ongoing professional development of RPs that take up a majority of credit risk responsibility in the credit process.

**2. How to define a RP if a staff member is not performing all the key duties specified in the HKMA guidelines?**

The key roles specified in Annex 1 of the HKMA's Guide to ECF-CRM serve as a general guide to assess whether a staff member falls within the scope of RPs. A staff member is not required to perform all the roles specified in Annex 1 in order to be classified as a RP. AIs can adopt a principles-based approach in determining whether a staff member falls within the definition of RPs for the ECF-CRM.

**3. I don't have any credit risk management background, can I enroll for the programme?**

Yes, you may enroll in the ECF on CRM (Core Level) programme which is mainly designed for entry-level and junior level staff working in the credit function of an AI.

**4. If I am working in consumer lending (e.g. credit card and personal lending) or some specialised functions such as credit risk modelling, am I a RP of the ECF-CRM?**

No, consumer lending (e.g. credit card and personal lending) and some specialised functions such as credit risk modelling are not included in the scope of application of the ECF-CRM. The ECF-CRM applies to staff members who are performing credit initiation, evaluation, approval and monitoring of commercial credit business.

**Grandfathering**

**5. What relevant experience would be counted for grandfathering?**

A RP may be grandfathered based on his or her relevant experience obtained from the banking industry and/or other related financial sectors. You may refer to the guidelines below for reference.

Core Level:

- Possessing at least 3 years of relevant work experience in any of the functions in



credit initiation, evaluation, approval and review and/or credit risk management and control as specified in Annex 1 of the HKMA's Guide to ECF-CRM; and

- Employed by an AI at the time of application.

b) Professional Level via Path (i) or Path (ii):

Path (i):

- Possessing at least 8 years of relevant work experience in any of the functions in credit initiation, evaluation, approval and review and/or credit risk management and control, of which at least 5 years are gained from Professional Level job roles, as specified in Annex 1 of the HKMA's Guide to ECF-CRM; and
- Employed by an AI at the time of application.

or

Path (ii):

- Completion of the HKIB's Postgraduate Diploma for Certified Banker (Credit Management Stream); and
- Possessing at least 3 years of relevant work experience in any of the functions in credit initiation, evaluation, approval and review and/or credit risk management and control as specified in Annex 1 of the HKMA's Guide to ECF-CRM; and
- Employed by an AI at the time of application.

Applications for grandfathering are handled and assessed by the HKIB.

## **6. How does a RP know if he/she is eligible to apply for grandfathering?**

The grandfathering application requires the Human Resources Department (HR) of the concerned AI(s) to verify and endorse the employment history of an applicant's relevant experience. An endorsement by the applicant's current employer would indicate that the RP has met the eligibility criteria on relevant experience before it is passed to the HKIB for processing. AIs are encouraged to support their staff to apply for grandfathering and certification.

Regarding information related to a RP's previous employment, the current employer is encouraged to provide the necessary assistance to the RP in the latter's application for grandfathering or ECF certification (e.g. confirming whether such information is consistent with the curriculum vitae provided by the RP at the time of his/her job application). Applications without HR verification will not be accepted.

During the application review process, the HKIB may request the applicant to provide employment records or additional information to substantiate the application for grandfathering.



**7. How does one complete the certification application after grandfathering has been granted?**

Upon confirmation from the HKIB that approval for grandfathering has been granted, the RP may complete the “Certification Application Form” for the Associate Credit Risk Management Professional (ACRP) / Certified Credit Risk Management Professional (Commercial Lending) (CCRP(CL)) / Certified Credit Risk Management Professional (Credit Portfolio Management) (CCRP(CPM)) certifications within 3 months after issuance of the grandfathering approval letter.

**8. Is there any cut-off date to apply for grandfathering?**

Existing RPs that meet the grandfathering criteria as prescribed in the response to Question 5 above can submit their grandfathering applications from 1 October 2019 to 30 September 2020 and the processing time required will be around 60 days. Late application will not be accepted.

**9. If an applicant has adequate years of relevant experience but has left the banking industry, is he/she eligible for grandfathering?**

Currently, grandfathering is only applicable for RPs who are currently employed and working in the credit function of an AI. For other individuals performing job roles of the credit function but not in an AI or those staff of an AI who are not working in the credit function during the grandfathering application period, they may submit their applications to the HKIB for grandfathering within three months from the date of joining the credit function of an AI and becoming a RP. However, they should have met all the applicable grandfathering criteria as prescribed in the response to Question 5 above on or before 30 September 2020.

**10. Would overseas work experience be recognised in a grandfathering application?**

In general, relevant overseas work experience in the credit function from the banking industry and/or other related financial sectors is recognised for grandfathering. Work experience in different regions or countries will be considered by the HKIB on a case-by-case basis.

**11. Where can I obtain the Grandfathering Application Form?**

The grandfathering application form will be available for downloading from the HKIB website in September 2019.



**12. Could I attain the confirmation of grandfathering for Core Level or Professional Level earlier than 60 days?**

It will take approximately 60 days under normal circumstances to process an application upon receipt of the completed application form and full set of supporting documents.

**Training and Examinations**

**13. What are the qualifications to be awarded to candidates once they completed the training and passed respective examination?**

The core level training certificate would be awarded to candidates who have successfully completed all the three core level training modules (Module 1 to 3) and obtained a pass at the relevant examination of each module.

The professional training certificate would be awarded to candidates who have successfully completed one of the professional level training modules (Module 4 or 5) and obtained a pass at the relevant examination of the module on top of the Core Level qualification.

**14. Can I apply for modular exemption if I possess other similar qualification(s)?**

<b>Module</b>	<b>Eligibility for exemption</b>
Module 1	<ul style="list-style-type: none"><li>Practitioners passing Financial Risk Manager (FRM) Part II</li></ul>
Module 2	<ul style="list-style-type: none"><li>Practitioners passing Chartered Financial Analyst (CFA) Level I or</li><li>Practitioners passing Module A – Financial Reporting and Module B – Corporate Financing of the Qualification Programme of the Hong Kong Institute of Certified Public Accountants (HKICPA) or</li><li>Practitioners holding other equivalent academic / professional qualification in accounting and financial statements analysis</li></ul>

## Certification

### 15. Are the ACRP/ CCRP(CL)/ CCRP(CPM) certifications available to Credit Risk Management practitioners currently not working in banks?

ACRP/ CCRP(CL)/ CCRP(CPM) certifications will only be available for RPs who are currently working in the credit function of an Als. For individuals who have met other conditions for certification but are not currently working at an AI, they may submit the certification application to the HKIB within three months from the date of joining the credit function of an AI and becoming a RP.

### 16. What are the requirements for ECF-CRM certification?

Upon attaining the relevant ECF-CRM qualifications and fulfilling the minimum relevant work experience requirement, RPs may apply for certification as ACRP, CCRP(CL) or CCRP(CPM).

The requirements for ECF-CRM certification are as follows:

Designation	Requirements
(a) ACRP	<ul style="list-style-type: none"> <li>(i) Successful completion of the Core Level certification;</li> <li>(ii) One-year relevant experience in any of the functions as specified in Annex 1 of the HKMA's Guide to ECF-CRM</li> </ul> <p>The one-year relevant work experience required for ACRP certification should be accumulated within the three years immediately prior to the date of application for certification, but does not need to be continuous.</p>
(b) CCRP(CL)	<ul style="list-style-type: none"> <li>(i) Core Level certification;</li> <li>(ii) successful completion of Module 4 of the Professional Level certification;</li> <li>(iii) five-year relevant experience in any of the functions as specified in Annex 1 of the HKMA's Guide to ECF-CRM</li> </ul> <p>The five-year relevant work experience required for CCRP(CL) certification should be accumulated within the ten years immediately prior to the date of application for certification, but does not need to be continuous.</p>
(c) CCRP(CPM)	<ul style="list-style-type: none"> <li>(i) Core Level certification;</li> <li>(ii) successful completion of Module 5 of the Professional Level certification;</li> <li>(iii) five-year relevant experience in any of the functions as specified in Annex 1 of the HKMA's Guide to ECF-CRM</li> </ul> <p>The five-year relevant work experience required for CCRP(CPM)</p>



	certification should be accumulated within the ten years immediately prior to the date of application for certification, but does not need to be continuous.
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Remarks:

RPs who have been grandfathered ECF-CRM Core Level or Professional Level should refer to Q7 on certification application.

**17. How long does it take to process an application for the ACRP/ CCRP(CL)/ CCRP(CPM) certification?**

It will take approximately 60 days under normal circumstances to process an application upon receipt of the completed application form and full set of supporting documents.

**18. If there is a change of job or industry, and/or personal information after being certified as ACRP/ CCRP(CL)/ CCRP(CPM), shall I inform HKIB?**

Practitioners should notify the HKIB of any change of job or industry, and/or personal information upon renewal of their ACRP/ CCRP(CL)/ CCRP(CPM) certifications. This would serve to re-confirm the status of a qualified RP.

All current Individual Members are obliged to maintain an updated profile with the Institute.

**19. Could I apply for the CCRP(CL)/ CCRP(CPM) certifications at the same time if I can fulfill all the requirements?**

Yes, RPs who have sufficient work experience in commercial lending (Role 1) and credit portfolio management (Role 2 and/or Role 3) are eligible to apply for both the CCRP(CL) and CCRP(CPM) certifications at the same time.

## **Continuing Professional Development (CPD)**

### **20. What if I fail to meet the annual CPD requirements?**

Failure to comply with the annual CPD requirements will result in suspension of professional designation during which the RP concerned must stop using the professional designation in all business and social contexts, for instance, on name card and in personal profile, until the necessary documents confirming the fulfilment of CPD requirements are submitted. While a RP's professional designation is being suspended, his/her name and status information will not appear on the Register of Certified Individuals published on the HKIB's website.

For cases where there are valid reasons to justify the failure to meet the annual CPD requirements, for example, due to an extended sick leave, the HKIB may consider reinstating the RP's ACRP/ CCRP(CL)/ CCRP(CPM) certification on a case-by-case basis.

### **21. If I work for another AI within a calendar year, could I combine the CPD hours I have previously earned?**

ACRP/ CCRP(CL)/ CCRP(CPM) holders can combine the CPD hours earned while working at different AIs. Please refer to Page 12 of HKMA's Guide to ECF-CRM for details on the relevant CPD activities and training topics.

### **22. Do CPD requirements of the ACRP/ CCRP(CL)/ CCRP(CPM) certifications renewal run on a calendar year basis?**

Yes. CPD requirements of the ACRP/ CCRP(CL)/ CCRP(CPM) certifications run on a calendar year basis, i.e. 1 January to 31 December. Holders of the ACRP/ CCRP(CL)/ CCRP(CPM) certifications will generally be notified to renew their certifications for the next year in November or December of each calendar year.

### **23. Do I need to attach the supporting documents when submitting an application for the ACRP/ CCRP(CL)/ CCRP(CPM) certification renewal?**

No, it is not necessary to attach supporting documents when submitting an application for the ACRP/ CCRP(CL)/ CCRP(CPM) certification renewal. However, the certification holders/ HR of AIs must keep records of the completion of relevant programmes and CPD activities undertaken by a certified practitioner. The HKIB reserves the right to request further documentation for confirmation purposes.



**24. Do you have a list of recognized CPD programmes for ECF on CRM?**

No, the CPD training topics should be related to banking and finance or the job function:

(a) compliance, code of conduct, professional ethics or risk management (e.g. topics related to jurisdiction, structure, collateral and regulatory changes)

(b) banking and financial knowledge

(c) economics

(d) accounting

(e) legal principles

(f) business and people management

(g) language and information technology

(h) subject areas covered in the HKIB's professional examinations.

You may refer to Page 12 of HKMA's Guide to ECF-CRM for more details.

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