



香港銀行學會

The Hong Kong Institute of Bankers

Postgraduate Certificate in Credit Portfolio Management for ECF on Credit Risk Management (CRM)

Module 5 – Advanced Credit Risk Management and Regulatory Requirements

QF Level 6[^]
(QR registration no. 20/000007/L6)

Postgraduate Certificate in Commercial Lending for ECF on Credit Risk Management (CRM)

Module 4 – Advanced Commercial Lending

QF Level 6[#]
(QR registration no. 20/000006/L6)

Professional Certificate for ECF on Credit Risk Management (CRM)

Module 3 – Fundamentals of Bank Lending
Module 2 – Fundamental Credit Risk Analysis
Module 1 – Credit Risk Management and Key Regulations

QF Level 5*
(QR registration no. 19/000928/L5)



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* This is a Specification of Competency Standards (SCS) based programme. The qualification is accredited by the Hong Kong Council for Accreditation of Academic and Vocational Qualifications (HKCAAVQ) and valid from 11 July 2019 to 10 July 2023. (QR registration no. 19/000928/L5)

This is a Specification of Competency Standards (SCS) based programme. The qualification is accredited by the Hong Kong Council for Accreditation of Academic and Vocational Qualifications (HKCAAVQ) and valid from 1 January 2020 to 31 December 2024. (QR registration no. 20/000006/L6)

[^] This is a Specification of Competency Standards (SCS) based programme. The qualification is accredited by the Hong Kong Council for Accreditation of Academic and Vocational Qualifications (HKCAAVQ) and valid from 1 January 2020 to 31 December 2024. (QR registration no. 20/000007/L6)

Enhanced Competency Framework for Banking Practitioners

With an aim to support capacity building and talent development for banking professionals, the Hong Kong Monetary Authority (HKMA) has been working together with the banking industry to introduce an industry-wide competency framework - Enhanced Competency Framework (ECF) for Banking Practitioners.

Under the ECF for Banking Practitioners, successive learning programmes and qualifications will be introduced for various streams of professional work in the banking sector over the next few years, including ECF on Credit Risk Management (CRM).

The Hong Kong Institute of Bankers (HKIB) is the programme and qualification provider for the ECF on Credit Risk Management, with the following objectives:

- To develop a sustainable pool of credit risk management practitioners for the banking industry; AND
- To raise and maintain the professional competence of credit risk management practitioners in the banking industry.

Qualifications Framework by HKCAAVQ

HKIB's "Professional Certificate for ECF on Credit Risk Management (CRM)" has been officially accredited at Level 5 within the Qualifications Framework (QF) by the Hong Kong Council for Accreditation of Academic and Vocational Qualifications (HKCAAVQ). (QR registration number: 19/000928/L5)

The "Postgraduate Certificate in Commercial Lending for ECF on Credit Risk Management (CRM)" (QR registration number: 20/000006/L6) and "Postgraduate Certificate in Credit Portfolio Management for ECF on Credit Risk Management (CRM)" (QR registration number: 20/000007/L6) have been officially accredited at Level 6 within the Qualification Framework (QF) by the Hong Kong Council for Accreditation of Academic and Vocational Qualifications (HKCAAVQ).

This is a Specification of Competency Standards (SCS) based programme. The learning content is encompassing all relevant Units of Competency (UoCs) drawn from the SCS of banking industry.

Becoming an 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))

(1) Trainings and Examinations

ACRP

To gain the certification of ACRP, candidates have to successfully complete the programme "Professional Certificate for ECF on Credit Risk Management". The programme consists of three modules. Candidates must first complete the subject training modules, and then proceed to the examinations. After passing the examinations in Module 1 to Module 3, candidates will be awarded the "Professional Certificate for ECF on Credit Risk Management". With one-year relevant work experience, the practitioner would apply for ACRP.

CCRP(CL)

To gain the certification of CCRP(CL), candidates have to successfully complete the programme "Postgraduate Certificate in Commercial Lending for ECF on Credit Risk Management (CRM)". The programme consists of one module. Candidates must first complete the subject training module, and

then proceed to the examinations. After passing the examinations in Module 4, candidates will be awarded the “Postgraduate Certificate in Commercial Lending for ECF on Credit Risk Management (CRM)”. With five-year relevant work experience, the practitioner would apply for CCRP(CL).

CCRP(CPM)

To gain the certification of CCRP(CPM), candidates have to successfully complete the programme “Postgraduate Certificate in Credit Portfolio Management for ECF on Credit Risk Management (CRM)”. The programme consists of one module. Candidates must first complete the subject training module, and then proceed to the examinations. After passing the examinations in Module 5, candidates will be awarded the “Postgraduate Certificate in Credit Portfolio Management for ECF on Credit Risk Management (CRM)”. With five-year relevant work experience, the practitioner would apply for CCRP(CPM).

(2) Working Experience Requirement

ACRP

A Relevant Practitioner may apply to the HKIB for ACRP certification if he or she has at least 1 year of relevant work experience and engaged by an authorised institution (AI) of Hong Kong.

CCRP(CL)

A Relevant Practitioner may apply to the HKIB for CCRP(CL) certification if he or she has at least 5 years of relevant work experience and engaged by an authorised institution (AI) of Hong Kong.

CCRP(CPM)

A Relevant Practitioner may apply to the HKIB for CCRP(CPM) certification if he or she has at least 5 years of relevant work experience and engaged by an authorised institution (AI) of Hong Kong.

(3) Certified Individual (CI)

It is mandatory for all individuals to maintain a valid professional membership status with HKIB if the applicants want to apply for and maintain ACRP/ CCRP(CL)/ CCRP(CPM) certifications. Certification holders will be registered as CI and included in a public register on the HKIB website. The CI Register posted on the HKIB website enables the public recognition of ACRP/ CCRP(CL)/ CCRP(CPM) certification holders.

(4) Continuing Professional Development (CPD)

For all ACRP/ CCRP(CL)/ CCRP(CPM) certifications, a minimum of 15 CPD hours is required for each calendar year (ending 31 December). Out of the 15 CPD hours, at least 5 CPD hours must be earned from activities related to topics of compliance, code of conduct, professional ethics or risk management.

Programme Content

Professional Certificate for ECF on Credit Risk Management (CRM)

Module 1 – Credit Risk Management and Key Regulations

Learning Outcomes

Upon completion of this module, candidates should be able to

- Apply risk mitigation strategies for the credit portfolio
- Monitor credit assets portfolio and the recovery and work-out of the problem loans
- Assess various credit risk indicators, portfolio performance indicators and credit risk regulations in order to develop strategies to minimize risks in the bank's credit portfolio
- Examine the credit application in conformity of relevant policies compliance and regulatory requirements
- Conduct the stress testing and analyse the results to identify the vulnerability of different segments of loan portfolio

Module Outlines

- Basics of Credit Risk Management
- Credit Risk Management Structure – A Systematic Control Framework
- Credit Risk Management Process
- Credit Risk Management Culture and People
- Credit Risk Portfolio Management and Control
- Counterparty Credit Risk
- Basel Regulatory Requirements on Credit Risk Management
- HKMA Regulatory Requirements on Credit Risk Management
- Provisioning Requirements

Module 2 – Fundamental Credit Risk Analysis

Learning Outcomes

Upon completion of this module, candidates should be able to

- Apply financial and non-financial analysis to assess client's financial positions, needs and credit worthiness
- Analyse clients' financial strengths and review the credit rating of the clients
- Calculate potential credit losses for determining eligibility and credit limits for lending
- Evaluate the analysis results and initiate appropriate recommendation on the customer's credit worthiness, repayment ability and risk level

Module Outlines

- Key Accounting Concepts and Rules Relevant to Lenders
- Interpretation and Critical Analysis of Financial Statements from a Lender's Perspective
- Financial Ratio Analysis
- Cash Flow Analysis
- Budgeting, Forecasting and Analysis
- Limitations of Financial Ratio Analysis and Creative Accounting

Module 3 – Fundamentals of Bank Lending

Learning Outcomes

Upon completion of this module, candidates should be able to

- Identify the financing needs of clients
- Conduct risk assessment and evaluate the performance of credit acquisition on commercial lending and make appropriate recommendation for approval
- Determine the arrangement of credit facility to minimize risks to the bank and structure credit facilities according to borrowing needs, business cycle and credit strength of the clients
- Present the customized credit solutions and facilities proposal to the clients by providing consultative advice on the lending product alternatives and related credit risk based on their financing needs
- Develop collaterals' valuation process for ongoing monitoring
- Develop terms and conditions of credit facility such as application of the appropriate contractual interest rates based on internal policies, payment period and payment options, etc. according to customer's needs and results of risk assessments

Module Outlines

- Code of Ethics in Bank Lending Businesses
- Corporate Lending Business Process – Credit Initiation
- Corporate Lending Business Process – Credit Review and Approval Process
- Corporate Lending Business Process – Credit Documentation and Drawdown
- Corporate Lending Business Process – Continuous Post Approval Credit Review
- Corporate Lending Business Process – Problem Loan Management
- Retail Lending Business Process
- Lending Considerations for Main Kinds of Corporate Lending Products
- Lending Considerations for Special Products-- Property Lending
- Lending Considerations for Special Products-- SME Financing Schemes
- Lending Considerations for Special Products --Taxi, Public Bus, Vehicle, Equipment Financing

Professional Certificate for ECF on Credit Risk Management (CRM)

Target Participants

For entry-level and junior level staff in credit function

Entry Requirements

The Programme is open to members and non-members of the HKIB. Candidates must fulfill the stipulated minimum entry requirements:

- A Bachelor's Degree in any discipline awarded by a recognised university or equivalent; OR
- An Associate Degree (AD) / Higher Diploma (HD) in a banking and finance discipline or equivalent; OR
- A relevant professional qualification; OR
- Mature applicants with either at least five years of work experience in banking and finance or equivalent; OR two years of work experience in banking and finance with a recommendation from the employer.

Remark: 3rd or final year of full-time students of a bachelor's degree programme in a banking and finance discipline will also be considered.

Medium of Programme

- Training is delivered through classroom in either Cantonese or English supplemented with English materials.
- All the examination questions are set in English only.

Certification

The Relevant Practitioners in Credit sectors of the banking industry will be certified as an Associate Credit Risk Management Professional (ACRP) at Core Level when they have:

- completed the training programme (Module 1 to Module 3); AND
- passed the examination (Module 1 to Module 3); AND
- at least one year of relevant work experience which should be accumulated within the three years immediately prior to the date of application for certification, but does not need to be continuous.

Postgraduate Certificate in Commercial Lending for ECF on Credit Risk Management (CRM)

Module 4 - Advanced Commercial Lending

Learning Outcomes

Upon completion of this module, candidates should be able to

- Review the appropriateness of the industry and business risk assessment and approve credit application according to relevant policies, compliance and regulatory requirements
- Formulate measures to monitor credit risk and optimize the quality of credit assets portfolio
- Set up process to measure, control and manage potential credit risk exposures and identify early warning signals
- Decide on application of risk assessment approach, risk monitoring, operation process and risk management process
- Develop cross-border business strategies through understanding the cross-border lending practices and considerations

Module Outlines

- Planning of Lending Business Portfolio and Process
- New Lending Product Developments
- Structured Approach for Approval Process
- Management Planning for Early Warning System
- Management Planning for Problem Loan Management
- Cross Border Credit Business Opportunities
- Syndicated Loans
- Project Financing (including New Project and Expansion Projects)
- Structured Financing for Merger, Acquisition and Leveraged Buyouts

Target Participants

For essential middle or senior level of job roles in the credit function that take up a majority of credit risk responsibility in the credit process, including credit initiation and appraisal; credit evaluation, approval and review.

Entry Requirements

The Programme is open to members and non-members of the HKIB. Candidates must fulfill the stipulated minimum entry requirements:

- Professional Certificate for ECF on Credit Risk Management (CRM) awarded by HKIB; OR
- Grandfathered for ECF on Credit Risk Management (Core Level) by HKIB; OR
- Grandfathered on Credit Portfolio Management for ECF on Credit Risk Management (Professional Level) by HKIB.

Medium of Programme

- Training is delivered through classroom in either Cantonese or English supplemented with English materials
- All the examination questions are set in English only.

Certification

The Relevant Practitioners in Credit sectors of the banking industry will be certified as an Certified Credit Risk Management Professional (Commercial Lending) at Professional Level when they have:

- completed the training programme (Module 4); AND
- passed the examination (Module 4); AND
- at least five years of relevant work experience which should be accumulated within the ten years immediately prior to the date of application for certification, but does not need to be continuous.

Postgraduate Certificate in Credit Portfolio Management for ECF on Credit Risk Management (CRM)

Module 5 - Advanced Credit Risk Management and Regulatory Requirements

Learning Outcomes

Upon completion of this module, candidates should be able to

- Evaluate different risk mitigation alternatives and take appropriate measures to protect the interests of all the stakeholders
- Evaluate different approaches in credit strategy and their performance in order to align with the bank's overall strategies and policies
- Apply appropriate credit asset classification and risk rating approaches to ensure compliance with statutory requirements
- Analyse the risk factors of all lending products and evaluate the bank's capital allocation strategy under different regulatory requirements
- Develop guidelines for stakeholders to follow and to communicate the current global capital requirements on credit risk management
- Analyse the results of portfolio performance and stress testing for proposing the strategies to allocate credit assets of the bank

Module Outlines

- Code of Conduct
- Implication of Basel III Regulatory Requirements on Credit Risk Management
- Implication of PRC Regulatory Requirements on Credit Risk Management
- Implications of IFRS 9 on Credit Risk Management
- Corporate Governance Structure on Credit Risk Management
- Credit Risk Management - Overall Control Framework from Senior Management Perspective by Integrated Use of New and Traditional Risk Parameters
- Credit Portfolio Management
- Country Credit Risk

Target Participants

For essential middle or senior level of job roles in the credit function that take up a majority of credit risk responsibility in the credit process, including credit initiation and appraisal; credit evaluation, approval and review

Entry Requirements

The Programme is open to members and non-members of the HKIB. Candidates must fulfill the stipulated minimum entry requirements:

- Professional Certificate for ECF on Credit Risk Management (CRM) awarded by HKIB; OR
- Grandfathered for ECF on Credit Risk Management (Core Level) by HKIB; OR
- Grandfathered on Commercial Lending for ECF on Credit Risk Management (Professional Level) by HKIB.

Medium of Programme

- Training is delivered through classroom in either Cantonese or English supplemented with English materials.
- All the examination questions are set in English only.

Certification

The Relevant Practitioners in Credit sectors of the banking industry will be certified as Certified Credit Risk Management Professional (Credit Portfolio Management) at Professional Level when they have:

- completed the training programme (Module 5); AND
- passed the examination (Module 5); AND
- at least five years of relevant work experience which should be accumulated within the ten years immediately prior to the date of application for certification, but does not need to be continuous.

Application

Fax: (852) 2544 9946

Email : application@hkib.org

In person: 3/F Guangdong Investment Tower, 148 Connaught Road Central, Sheung Wan, Hong Kong

Please visit the HKIB website for application details.

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