


ENHANCED COMPETENCY FRAMEWORK on Operational Risk Management (ECF-ORM)



Certified Operational Risk Management Professional

(recognised under the QF at Level 5, QR Registration No: 21/001160/L5)
(validity period from 01/11/2021 to 31/07/2025)

CORP

Associate Operational Risk Management Professional

(recognised under the QF at Level 4, QR Registration No: 21/001159/L4)
(validity period from 01/11/2021 to 31/07/2025)

AORP



Enhanced Competency Framework for Banking Practitioners

With the aim of supporting 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” in Hong Kong.

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

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

Overview of the Hong Kong Institute of Bankers

The Hong Kong Institute of Bankers (HKIB) has been serving the local banking community in the provision of professional training and certification services since 1963. HKIB is the first not-for-profit institution in Hong Kong to issue banking qualifications up to QF Level 6 under the HKQF, and was appointed by the Education Bureau as a Professional Qualifications Assessment Agency in August 2020. With an objective to maintain and further develop the territory’s status as an international financial centre, the Institute works with the support of banks, regulators, financial institutions, academic institutions and various professional bodies to provide local banking practitioners with professional training and development opportunities.

In view of the changing landscape of the banking and financial services industry in Hong Kong and mainland China, as well as on a global scale, the importance of continuing to enhance the standards of professional development has gained increased attention. The HKIB endeavours to provide and enhance its training and development products in order to equip its members with essential knowledge and skills that meet the industry’s needs.

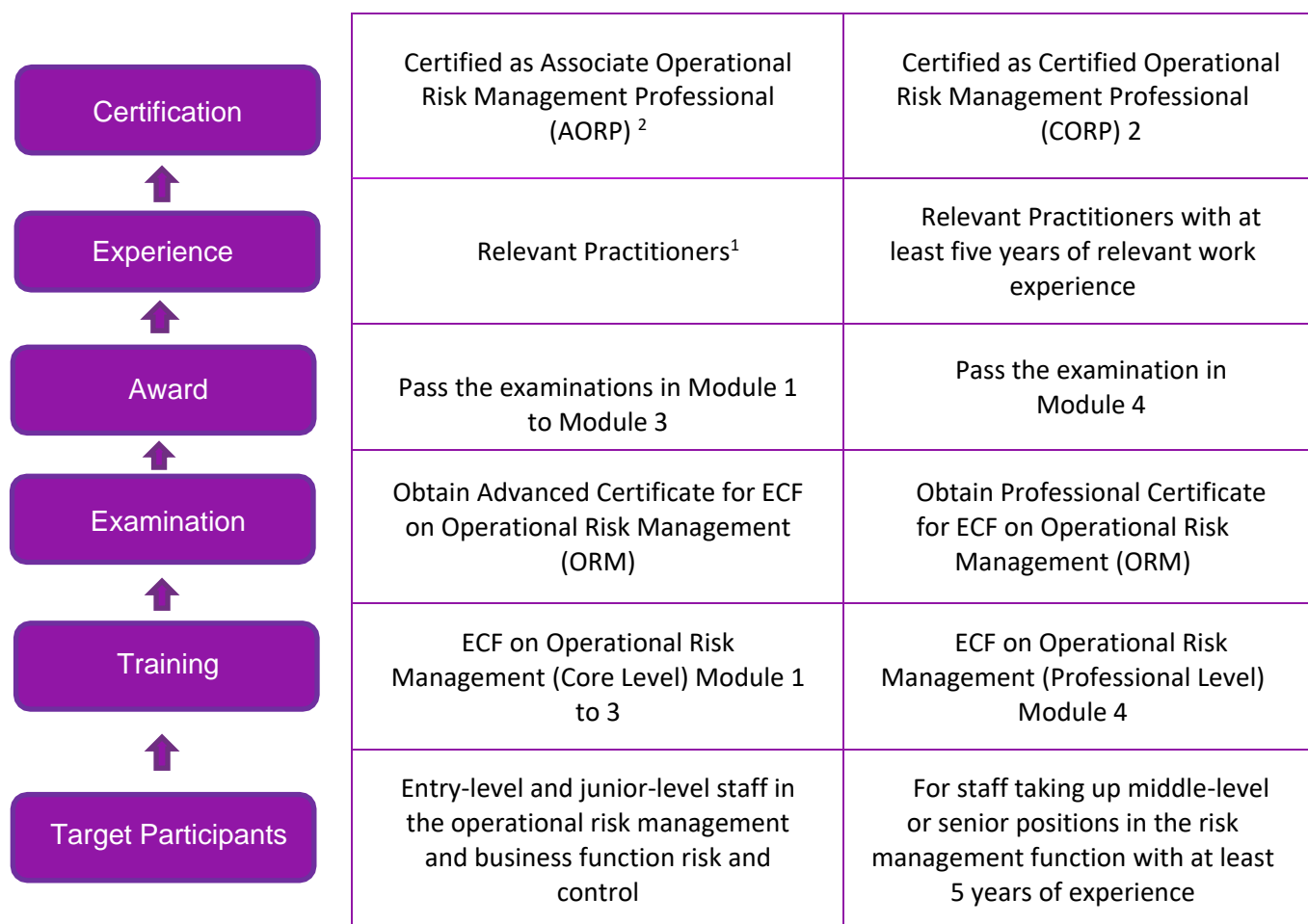
Since the implementation of ECF in 2018, various programmes for different job functions in banking industry have been developed and integrated into HKIB’s flagship Certified Banker (CB) Programme which offer generalist, specialist, and strategic topics. The rationale for putting all programmes under one professional banking qualification is to promote an industry-based common qualifications benchmark. While ECF programmes offer “role-based” knowledge and certification to relevant practitioners, CB is offering a vocational qualification pathway for further career advancement, being continuously enhanced to nurture more holistic banking professionals and ultimately, supporting the industry to develop a continuous learning culture and a sustainable talent pool so as to maintain the competitiveness of Hong Kong as an international financial centre.

Qualifications Framework

The Professional Qualification “Associate Operational Risk Management Professional (AORP)” is recognised under the QF at Level 4. (QR Registration No: 21/001159/L4) (Validity Period from 01/11/2021 to 31/07/2025)

The Professional Qualification “Certified Operational Risk Management Professional (CORP)” is recognised under the QF at Level 5. (QR Registration No: 21/001160/L5) (Validity Period from 01/11/2021 to 31/07/2025)

Becoming an Associate Operational Risk Management Professional (AORP) / Certified Operational Risk Management Professional (CORP)



¹ Relevant Practitioners are persons engaged by AIs undertaking operational risk management and business function risk and control function for corporations ranging from large corporates to small and medium-sized enterprises in a variety of industry sectors including financial institutions.

² The Professional Qualification “Associate Operational Risk Management Professional (AORP)” is recognised under the QF at Level 4. (QR Registration No: 21/001159/L4) (Validity Period from 01/11/2021 to 31/07/2025)
The Professional Qualification “Certified Operational Risk Management Professional (CORP)” is recognised under the QF at Level 5. (QR Registration No: 21/001160/L5) (Validity Period from 01/11/2021 to 31/07/2025)

Certified Individual (CI)

AORP/CORP holders will be registered as CI and included in a public register on HKIB website. The CI Register posted on HKIB website enables the public recognition of AORP/CORP holders. To ensure your Professional Qualification reflected in the CI register, you are required to maintain a valid membership status with HKIB.

Continuing Professional Development (CPD)

All AORP/CORP holders are required to comply with the following annual Continuing Professional Development (CPD) requirements in order to maintain the Professional Qualifications.

1. Undertake a minimum of 12 CPD hours for each calendar year (ending 31 December), of which
2. At least six CPD hours must be earned from activities related to topics of compliance, legal and regulatory requirement, risk management and ethics.

For more details, please refer to Continuing Professional Development (CPD) Scheme on HKIB Website. (Home > Membership > Individual Members > HKIB CPD Requirements)

ECF on Operational Risk Management (Core Level)

Programme Content

Module 1 – Ethics and Corporate Governance in Banking Industry

Learning Outcomes

Upon completion of this module, candidates should be able to

- Identify and apply the principles, requirements, and management of business ethical situations in the second line of defence in the context of broader risk environment encountered in the banking industry
- Explain the organizational structures and exercise the requirements under the regulatory landscape in building an effective risk management framework to effective compliance
- Identify different roles associated in building a culture for effective management of governance, risk, and compliance in financial institution
- Apply regulatory requirement and effective compliance control on daily duties by demonstrating an understanding of and adopting the requirement related to corporate governance

Module Outline

- Business Ethics
- Ethics and the Corporation
- Risk Management: Principles and Concepts
- The Regulators, Law and Regulation
- Corporate Governance in Banks
- Remuneration and Appointment of Board Members, Chief Executive and Managers
- Internal Control and Compliance in Banking

Module 2 – Regulatory Framework and Compliance in Banking Industry

Learning Outcomes

Upon completion of this module, candidates should be able to

- Understand and explain the role and function of financial regulatory framework specifically the role of the HKMA and various other regulators including SFC and IA in regulating the banking industry
- Describe and apply the Banking Ordinance and other relevant laws applicable to banks, as well as the HKMA statutory guidelines and guidance notes, in the day to day running of various businesses of a bank
- Design and implement systems and controls for banks to ensure all legal and regulatory requirements are satisfied
- Assess compliance related operational risk indicators, assessment of the risks and based on the legal and regulatory requirement, develop strategies to mitigate the risks maintaining compliance position of the bank at the tolerance level
- Monitor and identify problems and issues in various banking businesses and making informed judgement and propose solutions in compliance with all the legal and regulatory requirements

Module Outline

- Overview of Regulatory Regime for Bank in Hong Kong
- Banking Supervision, Internal Policies, Standards and Guidelines
- Bank Culture Reform
- Major Statutory Requirements for Bank in Hong Kong
- Regulatory Objectives and Relevant Mandates
- Introduction to International Regulation
- Registration and Licensing Requirements
- Regulatory Breach and Operational Risk Incident Management
- Future Development in Banking and the Relevant Regulatory Requirements
- Case Studies – Compliance Challenge

Module 3 – Fundamentals of Operational Risk Management and Risk Governance

Learning Outcomes

Upon completion of this module, candidates should be able to

- Understand the objectives and the types of Operational Risk Management
- Establish solid operational risk governance, define clear roles and responsibilities and support risk culture in the organization
- Apply and practice the operational risk principles and define the operational risk appetite
- Execute the operational risk assessment, measurement and reporting
- Understand and integrate with technology, resiliency and enterprise risk assessment

Module Outline

- Overview of Operational Risk
- Operational Risk Framework and Governance
- Operational Risk Principles and Appetite
- Operational Risk Assessment, Measurement and Reporting
- Technology, Resiliency and Enterprise Risk Assessment
- Integrated Case Studies and Best Practices

Entry Requirements

The programme is open to both members and non-members of HKIB. Candidates must fulfil the stipulated minimum entry requirements with:

- Students of Associate Degree (AD)/Higher Diploma (HD) in any disciplines (QF L4); OR
- Equivalent qualifications or above; OR
- Mature applicants³ with either at least three years of work experience in banking and finance or equivalent with a recommendation from the employer.

Medium of Instruction

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

ECF on Operational Risk Management (Professional Level)

Programme Content

Module 4 – Advanced Operational Risk Management

Learning Outcomes

Upon completion of this module, candidates should be able to

- Develop and establish operational risk management frameworks and associated policies and procedures
- Evaluate the operational risks encountered by different business units of the AI and establish effective mitigating controls
- Manage operational risks by using risk management control tools, e.g. risk control self-assessment (RCSA) and key risk indicators (KRIs)
- Develop risk control measures by using scenario analysis and stress testing to identify potential operational risk events and assess their potential impact
- Review the risk profile of the AI/business function and apply operational risk modelling to quantify and predict operational risks
- Compile the dashboards and metrics to measure and analyse operational risks within different business units
- Develop business continuity plan and recovery strategy
- Build and promote a risk focused culture within the AI/within the business function
- Propose strategic operational risk advice and remediation actions to senior management on findings of operational risk events
- Design and deliver operational risk training to business units

Module Outline

- Operational Risk Assessment Methodology and New Products Risk Assessment
- Scenario Analysis and Stress Testing
- Key Risk Indicators
- Capital Requirements for Operational Risk
- Risk Control Self-Assessment
- Operational Risk Events
- Regulatory and Supervisory Frameworks
- Contingency, Business Continuity and Recovery Planning
- Risk Culture, Awareness and Key Components of Successful Operational Risk Management Implementation
- Operational Risks Related to the Key Areas for Future Banking
- The Future and Challenges of Operational Risk Management
- Integrated Case Studies and Best Practices

³ Mature applicants (aged 21 or above) who do not possess the above academic qualifications but with relevant banking experience and recommendation from their employers will be considered on individual merit.

Entry Requirements

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

- Advanced Certificate for ECF on Operational Risk Management (ORM) awarded by HKIB; OR
- Grandfathered for ECF on Operational Risk Management (Core Level) by HKIB.

Medium of Instruction

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

Application

Email : application@hkib.org

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

Please visit HKIB website for application details.

General Enquires

Tel : (852) 2153 7800

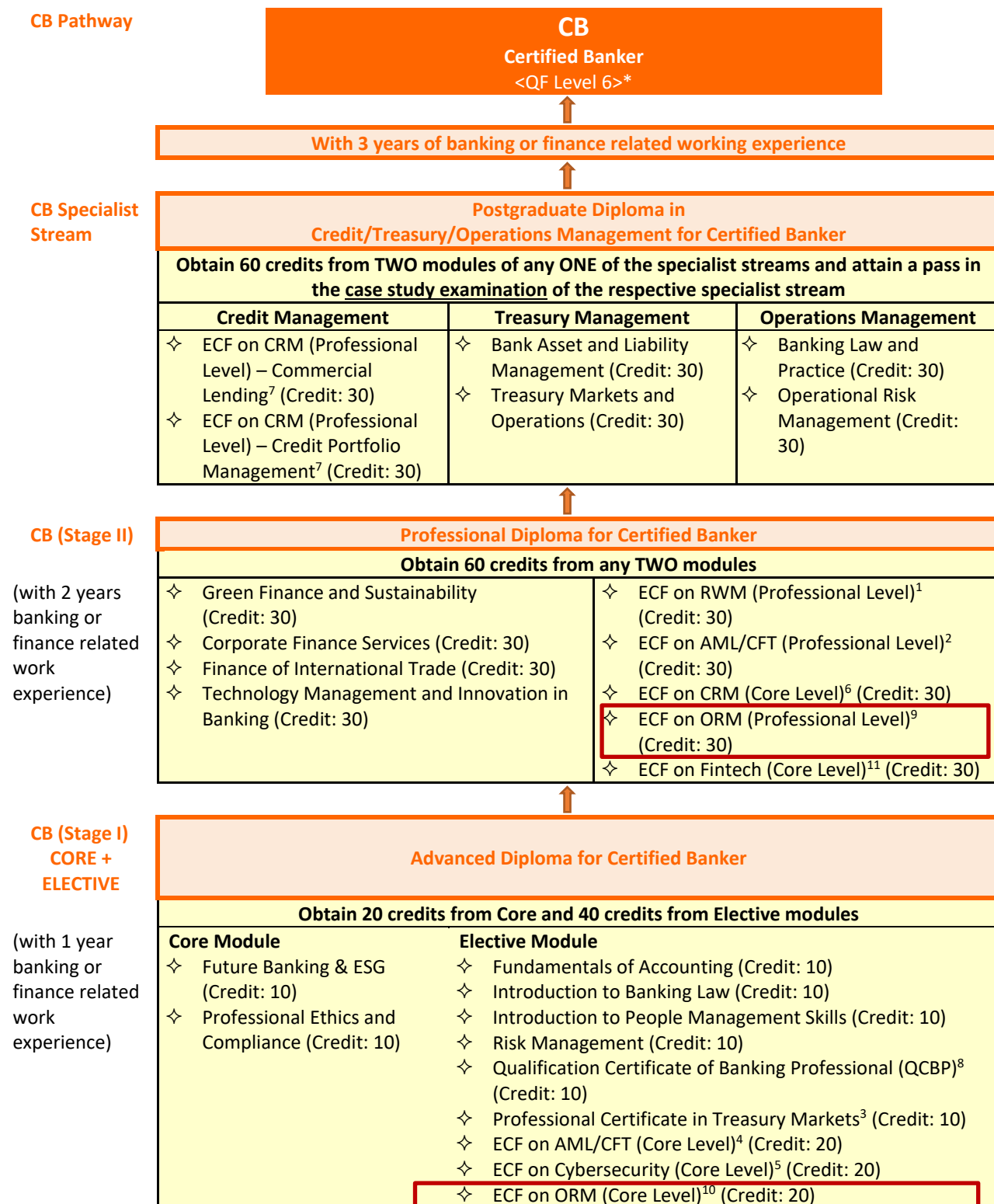
Email : cs@hkib.org

Website : www.hkib.org

Address : 3/F Guangdong Investment Tower, 148 Connaught Road Central, Hong Kong

Integration of ECF Programme in Certified Banker (CB)

Certified Banker (CB) is a professional banking qualification programme developed and offered by HKIB. This common qualification benchmark is intended to raise the professional competency of banking and financial practitioners in Hong Kong to meet modern demands, while providing a transparent standard with international recognition. The “ECF on ORM (Core and Professional Level)” have already been incorporated in CB (Stage I/II) respectively. You may refer to the CB Programme structure as below to plan for your learning path. Learners who have obtained a pass at the relevant examination can then apply for an exemption for the elective module “ECF on ORM (Core Level)” of the CB (Stage I) programme and the module “ECF on ORM (Professional Level)” of the CB (Stage II) programme.



Notes:

1. For exemption only. Holders of the Professional Certificate for ECF - Retail Wealth Management (RWM) offered by HKIB are eligible to apply for "ECF - RWM (Professional Level)" module exemption. Please refer to "**ECF-RWM**" for details.
2. For exemption only. Holders of the Professional Certificate for ECF - AML/CFT or respective grandfathered certificate are eligible to apply for ECF - AML/CFT (Professional Level) module exemption after passing the written assessment developed by the HKIB. Please refer to "**ECF - AML/CFT**" for details.
3. For exemption only. Holders of the Professional Certificate in Treasury Markets (i.e., ECF on Treasury Management (Core Level)) offered by LiPACE of HKMU are eligible to apply for module exemption.
4. For exemption only. Holders of the Advanced Certificate for ECF - AML/CFT or respective grandfathered certificate (plus submission of the form – Recognising Prior Learning Assessment Criteria for ECF - AML/CFT (Core Level) are eligible to apply for module exemption. Please refer to "**ECF - AML/CFT**" for details.
5. For exemption only. Holders of the Advanced Certificate for ECF - Cybersecurity offered by HKIB are eligible to apply for "ECF - Cybersecurity" module exemption. Please refer to "**ECF - Cybersecurity**" for details.
6. For exemption only. Holders of the Core Level Training Certificate for ECF - CRM or respective grandfathered certificate are eligible to apply for ECF - CRM (Core Level) – Fundamentals of Bank Lending (M3) module exemption after passing the written assessment developed by the HKIB. Please refer to "**ECF-CRM**" for details.
7. For exemption only. Holders of the Professional Level Training Certificate for ECF - CRM or respective grandfathered certificate are eligible to apply for ECF - CRM (Professional Level) – Advanced Commercial Lending (M4) or ECF - CRM (Professional Level) Advanced Credit Risk Management and Regulatory Requirements (M5) module exemption after passing the written assessment developed by the HKIB. Please refer to "**ECF-CRM**" for details.
8. Holders of Qualification Certificate of Banking Professional (QCBP) who have passed the QCBP exam are eligible to apply for "QCBP" module exemption.
9. For exemption only. Holders of the Professional Certificate for ECF - ORM or respective grandfathered certificate are eligible to apply for ECF - ORM (Professional Level) module exemption after passing the written assessment developed by the HKIB. Please refer to "**ECF-ORM**" for details.
10. For exemption only. Holders of the Advanced Certificate for ECF - ORM or respective grandfathered certificate are eligible to apply for ECF - ORM (Core Level) module exemption after passing the written assessment developed by the HKIB. Please refer to "**ECF-ORM**" for details.
11. For exemption only. Holders of the Professional Certificate for ECF - Fintech or respective grandfathered certificate are eligible to apply for ECF - Fintech (Core Level) module exemption after passing the written assessment developed by the HKIB. Please refer to "**ECF-Fintech**" for details.

* For CB, the Professional Qualification of CB is recognised under the QF at Level 6. (QR Registration No.: 20/000543/L6) Validity period: 1/8/2020 – 31/7/2025