

# Enhanced Competency Framework on Credit Risk Management (ECF-CRM) Frequently Asked Questions

## General

**1. Is it mandatory for Relevant Practitioners (RPs) to take the “ECF-CRM (Core/ProfessionalLevel) programmes?**

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. 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

**4. 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.

a) Core Level:

- Possessing at least three years of relevant work experience on or before 30 September 2020 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 eight years of relevant work experience on or before 30 September 2020 in any of the functions in credit initiation, evaluation, approval and review and/or credit risk management and control, of which at least five 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 HKIB's Postgraduate Diploma for Certified Banker (Credit Management Stream); and
- Possessing at least three years of relevant work experience on or before 30 September 2020 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 HKIB.

#### **5. 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 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, HKIB may request the applicant to provide employment records or additional information to substantiate the application for grandfathering.

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

Upon confirmation from 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 three months after issuance of the grandfathering approval letter.

The applicant can apply both grandfathering and certification at the same time, the certification application will only be proceeded if the grandfathering status is approved.

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

The one-off grandfathering arrangement for ECF-CRM ended on 31 December 2020.

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

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 from 1 October 2019 to 31 December 2020, they may submit their applications to HKIB for grandfathering within three months from the date of joining the credit function of an AI and becoming a RP. However, they should meet all the applicable grandfathering criteria as prescribed in the response to Question 5 above on or before 30 September 2020.

**9. 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 HKIB on a case-by-case basis.

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

Please contact HKIB.

**11. 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.

**12. Upon the commencement of the grandfathering application (i.e. 1 October 2019), I might not fulfil the minimum relevant work experience for the grandfathering application. However, I will be able to accumulate and fulfil such minimum work experience on or before the application deadline (i.e. 31 December 2020), how and when should I submit my application?**

It is necessary for you to possess the minimum relevant work experience upon your submission of the grandfathering application. As long as you have fulfilled the minimum work experience on or before 30 September 2020 and submit the grandfathering application on or before 31 December 2020, you are still eligible for the grandfathering application.

**13. What is the Continuing Professional Development (CPD) requirement for ACRP / CCRP(CL) / CCRP(CPM) holders?**

ACRP/CCRP(CL)/CCRP(CPM) holders are required to complete a minimum of 15 verifiable CPD hours for each calendar year (ending 31 December) of which at least five CPD hours must be earned from activities related to the topics of compliance, code of conduct, professional ethics or risk management, in order to maintain their certification. The CPD requirements will be waived for the first calendar year (ending 31 December) of certification.

**14. Is there any application fee for grandfathering?**

Yes, an application fee of HKD1,150 will be applied for each application. If you apply for two grandfathering applications at the same time, a total of application fee of HKD2,150 will be applied.

**15. Does HKIB accept batch submissions of the application forms from Authorized Institutions?**

Yes, an Authorized Institution may submit the application forms of its Relevant Practitioners by batch together with one single payment for the total application fee. Please provide the details of a representative as the key contact person regarding the applications in a cover letter.

**Training**

**16. I don't have any credit risk management background. Can I enrol for the programme?**

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

**17. What documents do I need to submit for enrolment?**

Candidates are required to submit the following items for enrolment:

	Membership Application	Training Application	Examination Application
(i) Completed and signed application form	✓	✓	✓
(ii) A copy of your identity card/passport	✓	✓	✓
(iii) Relevant documents for Entry Qualification assessment (e.g. academic certificates/reference letters)	N/A	✓	N/A
(iv) Payment (can be settled by cheque/ credit card/ FPS)	✓	✓	✓

The completed application form with eligible supporting documents can be submitted via email or at [HKIB website](#).

**18. How can I know if I have been successfully enrolled?**

An email will be sent to the applicant confirming the class details at least five working days prior to the training commencement date.

**19. What are the qualification titles to be awarded to candidates once they have completed the training and passed the respective examination?**

For Core Level, "Professional Certificate for ECF on Credit Risk Management (CRM)" would be awarded to candidates who have completed all the three Core Level training modules (Modules 1 to 3) and obtained a pass in the relevant examination of each module. Attaining the "Professional Certificate for ECF on Credit Risk Management (CRM)" plus one-year relevant experience in any of the functions as specified in the "HKMA Guide to ECF-CRM Annex 1", you would be certified as "Associate Credit Risk Management Professional" (ACRP).

For Professional Level, "Postgraduate Certificate in Commercial Lending for ECF on Credit Risk

Management (CRM)” and “Postgraduate Certificate in Credit Portfolio Management for ECF on Credit Risk Management (CRM)” are designed for relevant practitioners according to their responsible key roles and tasks. The relevant professional training certificate would be awarded to candidates who have completed any one of the Professional Level training programmes and obtained a pass in the corresponding examination. Successful completion of the Professional Level qualification plus five years of relevant experience in any of the functions as specified in the “HKMA Guide to ECF-CRM”, “Certified Credit Risk Management Professional (Commercial Lending)” (CCRP(CL)) or “Certified Credit Risk Management Professional (Credit Portfolio Management)” (CCRP(CPM)) will be certified respectively. For details, please refer to HKIB website.

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

According to the “HKMA Guide to ECF-CRM”, below is the exemption criterion.

Module	Eligibility for Exemption
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 qualifications in accounting and financial statements analysis</li> </ul>
Module 3	<ul style="list-style-type: none"> <li>Nil</li> </ul>
Module 4	<ul style="list-style-type: none"> <li>Nil</li> </ul>
Module 5	<ul style="list-style-type: none"> <li>Nil</li> </ul>

Eligible candidates may submit the “Exemption Application Form” together with the relevant documentary evidence for his/her qualifications (i.e. examination result slip, certificates, official transcripts, etc.)

In particular, for Module 2, if practitioners would like to apply for exemption with other equivalent academic/ professional qualifications in accounting and financial statements analysis, he/she may submit the application and relevant details and HKIB will review the application on a case-by-case basis.

Exemption results will normally be provided in writing within 60 days after receiving the COMPLETED application form and all supporting documents. If further assessment is needed due to unexpected circumstances, separate notifications will be sent. The decision of HKIB is final and cannot be appealed.

For the exemption application, an application fee will be applied.

- Application fee per application form: HKD200
- Exemption fee per module: HKD930

The application fee is non-refundable. The exemption fee will not be charged if the application is unsuccessful. Only successful applications will be charged the exemption fee.

**21. Is there any completion sequence for taking the module training class and examination?**

For Core Level, learners must first complete the module training classes before proceeding to the examination. In particular, for ECF-CRM (Core Level), Fundamentals of Bank Lending (Module 3) must be the final module that the learners attempt combined with (i) the completion of the module training classes (Modules 1 – 2) and a pass in the examination for Modules 1 – 2 or (ii) successful exemption for Modules 1 – 2.

For Professional Level, there is no completion sequence.

**22. What is the attendance requirement?**

To facilitate the learning process for candidates, they are expected to have full attendance before taking the examination. For records purposes, candidates are also required to sign-in and sign-out on the attendance sheet at every training session.

**23. Can I obtain the training materials before the training?**

A digital version of training materials (i.e. Study Guide and PPT Slides) will be provided before the training commencement. Printed version will only be available at an additional cost of HKD600 (including delivery fee) on request by learners.

**24. Is there any arrangement if I am absent from a training session?**

The supplementary notes or presentation slides will be provided to candidates who were absent from the related training session. For any further enquiries about the content, candidates can seek support from the trainers through HKIB.

**25. What should I do if I need to change the training date due to some unexpected circumstances?**

Generally, any change of the training date is NOT allowed. However, if a candidate is sick on the training date and cannot attend the training, he/she should inform the Institute and provide a supporting document (e.g. sick leave certificate) for our reference. The candidate may be permitted to attend the next subsequent training, subject to the availability of seats.

**26. Can I apply for a refund if I withdraw the training application?**

Once the training application is confirmed, all fees are non-refundable and non-transferrable.

**27. Can I apply for training after the application deadline?**

Late training enrolment will be accepted after the stipulated application deadline up to seven days before course commencement to allow us to administer the application. A late entry fee of HKD200 (in addition to the training fee) will apply.

**28. What language will be used for training and the study guide?**

The study materials of the ECF-CRM are offered in English only. Trainers may conduct the classes in either

English or Cantonese.

## **Examination**

### **29. Is there a limit on the number of examination attempts?**

There is no limit on the number of examination attempts one can take the training and/or examinations. Nonetheless, the completion period of the training and examination of ECF-CRM (Core and Professional Level) is 8 years from the year in which the first module was completed. (i.e. complete Core Level Module 1 – Module 3 within 8 years, complete Professional Level Module 4 within 8 years, complete Professional Level Module 5 within 8 years)

### **30. Can I enrol in the examination without attending the training programme?**

To facilitate candidates' learning to meet the QF requirement, all candidates are required to complete the training of the relevant modules before taking the examination.

### **31. What certificate will be awarded after completion of the ECF-CRM training programme and examination?**

After completing the ECF-CRM (Core Level) programme and passing the corresponding examinations, candidates will be awarded the "Professional Certificate for ECF on Credit Risk Management".

After completing the ECF-CRM (Professional Level) programme (Module 4) and passing the corresponding examination, candidates will be awarded the "Postgraduate Certificate in Commercial Lending for ECF on Credit Risk Management (CRM)".

After completing the ECF-CRM (Professional Level) programme (Module 5) and passing the corresponding examination, candidates will be awarded the "Postgraduate Certificate in Credit Portfolio Management for ECF on Credit Risk Management (CRM)".

### **32. How will I know if my examination application has been accepted?**

Once the COMPLETED form has been submitted, applicants will receive an acknowledgement. An "Examination Attendance Notice" will be sent two weeks before the examination.

### **33. When can I obtain the examination results?**

Candidates may check their examination results online through HKIB online platform. Candidates will receive an email notification once the examination results are available. Results will be released within four weeks from the examination date for MC-type examinations, and around eight weeks from the examination date of the last module in each examination diet for other types of examinations. The online examination results will be removed one month after they are released.

Candidates will receive their results slip by e-mail within two weeks after the examination result is released through HKIB online platform.

**34. Can I change to sit another examination after submitting an enrolment application?**

In general, any request of changing to sit another examination will NOT be allowed. However, special requests will be considered for exceptional circumstances (e.g. sick leave). Candidates should inform HKIB and provide a supporting document (e.g. sick leave certificate) for our consideration. The candidate may be permitted to sit the next subsequent examination, subject to the availability of seats. HKIB will determine each application on a case-by-case basis.

**35. How can I appeal against my examination results?**

By submitting a written request via email to exam@hkib.org, candidates may request a rechecking or remarking of their examination scripts within ONE MONTH after the issue of the examination results. Please note that there is a rechecking fee of HKD500 per subject and remarking fee of HKD1,700 per subject. Rechecking is only applied to the type of MCQ examination while remarking is applied to other types of examination.

**Certification**

**36. 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 AIs. For individuals who have met other conditions for certification but are not currently working at an AI, they may submit the certification application to HKIB within three months from the date of joining the credit function of an AI and becoming a RP.

**37. 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:

Professional Qualifications	Requirements
(a) ACRP	<p>(i) Successful completion of all the three Core Level training modules (Modules 1 to 3) and obtained a pass in the relevant examination of each module;</p> <p>(ii) One-year relevant experience in any of the functions as specified in Annex 1 of the HKMA’s Guide to ECF-CRM.</p> <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)	<p>(i) Successful completion of all the three Core Level training modules (Modules 1 to 3) and obtained a pass in therelevant examination of each module;</p> <p>(ii) successful completion of Module 4 of the Professional Level certification;</p> <p>(iii) five-year relevant experience in any of the functions as specified in Annex 1 of the HKMA’s Guide to ECF-CRM.</p> <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)	<p>(i) Successful completion of all the three Core Level training modules (Modules 1 to 3) and obtained a pass in therelevant examination of each module;</p> <p>(ii) successful completion of Module 5 of the Professional Level certification;</p> <p>(iii) five-year relevant experience in any of the functions as specified in Annex 1 of the HKMA’s Guide to ECF-CRM.</p> <p>The five-year relevant work experience required for CCRP(CPM) 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>

*Remarks:*

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

**38. 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.

**39. 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 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.

**40. Could I apply for the CCRP(CL)/CCRP(CPM) certifications at the same time if I can fulfil 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.

**41. What are the relevant job roles for candidates to be considered as Relevant Practitioners?**

As specified in the “HKMA’s Guide to ECF-CRM”, it is aimed at RPs performing three different job roles within the credit function (i.e. Role 1 – Credit Initiation and Appraisal, Role 2 – Credit Evaluation, Approval and Review, Role 3 – Credit Risk Management and Control). For details of the job roles and tasks, please refer to Annex 1 of the “HKMA’s Guide to ECF-CRM”.

**42. When should I apply for ACRP/ CCRP(CL)/ CCRP(CPM) certification?**

Pathway	Application Deadline
(A) By completion of the training programme and examination	Within 3 months after issuance of the examination result letter
(B) Grandfathered based on work experience	Within 3 months after issuance of the grandfathering approval letter

After the application deadline, Relevant Practitioners who do not submit their ACRP/CCRP(CL)/CCRP(CPM) certification application must take the relevant training programme and pass the examination to recommence the eligibility to apply for the ACRP/CCRP(CL)/CCRP(CPM) Professional Qualifications.

**43. I obtained ACRP/CCRP(CL)/CCRP(CPM) in July this year. When and how will I be notified to renew my ACRP/CCRP(CL)/CCRP(CPM) certification?**

ACRP/CCRP(CL)/CCRP(CPM) certification is subject to annual renewal on a calendar year basis from 1 January to 31 December. Irrespective of the date of your first certification as ACRP/CCRP(CL)/CCRP(CPM) with HKIB, your certification will expire on 31 December of the same year. You are required to renew your ACRP/CCRP(CL)/CCRP(CPM) certification annually and a renewal notice will be emailed to all ACRP/CCRP(CL)/CCRP(CPM) holders in December.

However, if you fail to renew the certification before 31 January of each calendar year, your certification will be suspended, and your name and status information will not appear on the Certified Individuals (CI) Register published on HKIB website. As a result, you will not be allowed to include the professional qualification on your name card or CV. Default or Resigned Members (“Former Members”) who have ceased to be a member of the Institute may apply to reinstate their HKIB membership by paying the current year's subscription plus the re-registration fee (“Reinstatement Fee”). For details, please refer to HKIB Member’s Handbook.

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

### **44. Can I apply for ACRP/CCRP(CL)/CCRP(CPM) certification if I have completed the training programme and examination, but I am not currently a Relevant Practitioner?**

If you have completed the training programme and examination at the Core/Professional Level but are not currently a Relevant Practitioner, you cannot apply for certification this moment.

However, you may submit your application to HKIB for certification within THREE months of joining the CRM function of an Authorized Institution.

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

Failure to comply with the annual CPD requirements will result in suspension of professional qualification during which the RP concerned must stop using the professional qualification 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 qualification is being suspended, his/her name and status information will not appear on the Register of Certified Individuals published on HKIB's website.

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

### **46. 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.

### **47. 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. Professional Qualification holders of ACRP/CCRP(CL)/CCRP(CPM) will generally be notified to renew their certifications for the next year in November or December of each calendar year.

### **48. Do I need to attach the supporting documents when applying for the ACRP/CCRP(CL)/CCRP(CPM) certification renewal?**

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

**49. Do you have a list of recognised CPD programmes for the ECF-CRM?**

No, a list is not available because of the wide scope of the programme available in the market or offered by AIs themselves.

For details of the coverage and the scope of the CPD programme, please refer to HKIB Continuing Professional Development (CPD) Scheme.

-End-