HONG KONG MONETARY AUTHORITY
香港金融管理局

Our Ref: B9/166C

29 March 2019

The Chief Executive
All Authorized Institutions

Dear Sir/Madam,

Enhanced Competency Framework on Credit Risk Management

I am writing to announce the launch of the Enhanced Competency Framework on Credit Risk Management (ECF-CRM).

The ECF-CRM is a collaborative effort of the HKMA, the Hong Kong Institute of Bankers (HKIB) and the banking sector in establishing a set of common and transparent competency standards for raising and maintaining the professional competence of relevant practitioners of the credit risk management function in authorized institutions (AIs). This framework enables talent development and facilitates the enhancement of professional competencies and capabilities of those staff engaged in the credit risk management function.

Details of the ECF-CRM, including its scope of application, competency standards, qualification structure, certification and grandfathering arrangements, and continuing professional development (CPD) requirements are set out in the Guide attached to this letter.

As the Supervisory Policy Manual module CG-6 "Competence and Ethical Behaviour" emphasises the importance of ensuring continuing competence of staff members, AIs are encouraged to adopt the ECF-CRM as a benchmark for enhancing the level of professional competence of credit risk management practitioners. Apart from supporting their staff to attend trainings and examinations that meet the ECF certification, AIs are also advised to keep records of the relevant training and qualification of their staff and to provide them with necessary assistance in relation to applications for grandfathering and certification, and fulfilment of CPD training under the ECF-CRM.

55th Floor, Two International Finance Centre,
8 Finance Street, Central, Hong Kong
Website: www.hkma.gov.hk

香港中環金融街8號國際金融中心2期55樓
網址： www.hkma.gov.hk

The HKMA will take into account the progress of implementation of the ECF-CRM by AIs and AIs' effort in enhancing staff competence and on-going development during its supervisory process.

The HKIB is the administrator of the ECF-CRM, whose major role in this respect includes handling certification and grandfathering applications, administering the examinations and CPD requirements and maintaining a public register of qualified certification holders. AIs may direct any enquiries regarding certification, grandfathering, training and other related arrangements to Mr Wallace Hui on 2190 7088 or Mr Henry Lee on 2190 7028 / 2153 7800 of the HKIB.

In the meantime, if you have any enquiries relating to this circular, please contact Ms Ivy Yong on 2878 8495 or Miss Rita Kong on 2878 8303.

Yours faithfully,

Daryl Ho
Executive Director (Banking Policy)

Encl

cc: FSTB (Attn: Ms Eureka Cheung)
HKIB (Attn: Ms Carrie Leung)