

Specification of Competency Standards for the Retail Banking

Unit of Competency

Compliance and Risk Management > 4.1 Compliance

Title	Formulate compliance policies, internal standards and enforcement system
Code	107385L6
Range	Development of internal policies and standards on compliance for the whole bank to keep the bank's business in minimum risk exposure
Level	6
Credit	4
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> 1. Conduct research on law and regulatory requirements <p>Be able to:</p> <ul style="list-style-type: none"> • Possess professional knowledge in law and is highly specialized in ordinances related to banking • Research means of breaching regulations (e.g. regulatory compliance, money laundering/CFT, anti bribery, financial crime compliance, conduct compliance, etc.) and analyse potential impacts to the bank • Analyse updated guidelines and circular issued by different regulatory bodies regularly to evaluate the development trend of regulatory requirements • Anticipate future trends and development in banking practices, market environment and regulatory standards of foreign countries etc. based on incomplete information to prepare the bank for upcoming changes in regulations 2. Formulate policies and internal standards <p>Be able to:</p> <ul style="list-style-type: none"> • Formulate internal standards by stating practices and procedures acceptable / required by the bank • Review internal policies to ensure they are in line with the modifications in relevant laws and regulations • Specify responsibilities in different functional areas in fulfilling the statutory and regulatory requirements • Formulate policies to specify the bank's orientation in addressing the regulatory requirements • Design policies to enforce compliance with statutory requirements, such as monitoring mechanism, investigation procedures, and disciplinary actions etc. 3. Design supporting systems and reporting systems for compliance information <p>Be able to:</p> <ul style="list-style-type: none"> • Design necessary infrastructures to accommodate regulatory requirements to ensure the bank can meet the compliance standards (KYC, customer due diligence, AML/CFT, FATCA, etc.) • Liaise with different business and operations units to plan for measures in supporting compliance policies • Design effective internal reporting systems to provide management with updated information on compliance • Establish escalation procedures for reporting different types of non-compliance issues to internal parties or regulatory bodies

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Assessment Criteria	The integral outcome requirements of this UoC are: <ul style="list-style-type: none">• Policies and internal standards for compliance are established based on complex analysis of regulatory requirements, the bank's situations and incomplete information on the future trends in banking practices. The policies should cover all relevant regulatory requirements and provide enough protection to the bank
Remark	