

Specification of Competency Standards
for the Banking Industry
Unit of Competency

Functional Area - 3a. Other Services on Enterprise Banking Credit Management (for Large Corporations)
(Key Function – 3a.2 Large Corporate Credit Facilities)

Title	Structure credit facilities for large scale project finance programmes
Code	109292L5
Range	Structuring credit facilities on large scale project financing programmes such as funding (financing) of long-term infrastructure, industrial projects, and public services. This applies to large amount and mid to long term loan extended to large and complex corporate clients.
Level	5
Credit	4 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Knowledge in the Subject Area</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Demonstrate comprehensive and specialized knowledge in credit management in order to structure deal for project finance program; • Possess professional knowledge regarding the industry specialization and the special features of project financing (e.g. sector structure, key competitors, critical success factors) of the clients in order to evaluate the risks and profitability of the deal. <p>2. Applications</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Evaluate the performance of clients' business and projected cash flow of the financed project by employing different qualitative and quantitative methods (e.g. accounting ratio, cash flow analysis); • Identify key vulnerabilities that may affect the development trend, industry outlook and project outlook of the clients in order to evaluate the future performance of the development project and repayment ability credit standing of clients; • Assess the risks of applications and analyse the capital structure of clients in order to identify the most suitable means of financing which can balance their assets and liabilities portfolio; • Obtain capital contribution commitments from the owners of the project company to ensure that the project is financially sound; • Estimate the projected revenues and cash flow of the project in order to estimate the repayment ability and sources of repayment of the clients. <p>3. Professional Behaviour and Attitude</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Structure the deals in accordance with the cash flow worthiness of the projects, projected performance of the business and credit strategy of the bank; • Analyse the debt structure of the clients to structure a deal which can meet the financial needs of clients while provide adequate protection to the bank's interests; • Provide recommendations on other credit facilities if alternative products are considered more appropriate.
Assessment Criteria	<p>The integral outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> • Structuring of credit facilities for project finance programmes to specify the structure, terms and conditions of the deal;

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	<ul style="list-style-type: none">• Development of project finance structure based on the evaluation of the financial needs, nature of the project, business outlooks, cash flow of the project repayment abilities and level of credit risks, etc. of the clients.
Remark	