

Specification of Competency Standards
for the Banking Industry
Unit of Competency

Functional Area - 5. Internal Control and Compliance
(Key Function – 5.1 Compliance Management)

Title	Conduct research on regulatory development and implications on bank
Code	109317L6
Range	Conducting research to identify the development and implications of regulations in banking. This applies to research employing different kinds of methods and regulations in different areas related to banking.
Level	6
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 professional knowledge across different areas in law and is highly specialized in ordinances related to banking in order to interpret the regulations; • Understand the common approaches to collect and analyse market data and apply the knowledge to conduct research on regulations issued by local and international regulatory bodies as appropriate (e.g. framework issued by Basel Committee on Banking Supervision and the Financial stability Board, provisions of the Banking Ordinance on capital and liquidity requirements and HKMA Supervisory Policy Manual, etc.), in order to evaluate the implications on different policies and business of the bank. <p>2. Applications</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Conduct analysis on the implications of the development trends on banking regulations and identify the impacts across different areas of the bank; • Analyse the costs and consequences of non-compliance and estimate the resources required to fulfil the regulatory requirements; • Conduct comparison on different compliance frameworks and evaluate the suitability against the requirements and situation of the bank. <p>3. Professional Behaviour and Attitude</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Construct communication strategy to ensure different individuals in the bank are well informed on the implications of the various regulations; • Re-evaluate the impacts of regulations to ensure the bank's policies and procedures are aligned with the changing social and economic conditions; • Keep updated with new guidelines and circulars issued by different regulatory bodies and assess their impacts on the bank; • Anticipate future trends and development in banking practices, market environment and regulatory standards of foreign countries etc. based on different sources in order to prepare the bank for upcoming changes in regulations.
Assessment Criteria	<p>The integral outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> • Conducting research and Identifying future trends in regulatory development; and summarising the effects on different areas of the bank. These should be based on the consolidated findings from different research on the regulatory environment, market environment and business / operations of the bank;

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	<ul style="list-style-type: none">• Provision of recommendations on compliance management based on research findings of development on regulatory requirements and critical analysis on compliance requirements of the bank.
Remark	