

Specification of Competency Standards
for the Banking Industry
Unit of Competency

Functional Area - 5. Internal Control and Compliance
(Key Function – 5.6 Counter Financial Crimes)

Title	Develop policies in combating internal and external fraud
Code	109352L6
Range	Development of bank-wide policies to combat financial crime and internal operational deficiencies. This applies to different kinds of financial crime and deficiencies in various operational areas.
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"> • Understand the trends in financial crime and apply the knowledge to identify the causes and impacts of different types of financial crimes for the purpose of formulating measures to protect the bank's interests; • Understand the banking environment and businesses and related the knowledge to identify possible trends in financial crimes; • Demonstrate specialized knowledge across different disciplines in banking businesses / services in order to evaluate bank's exposure to different types of financial crime. <p>2. Applications</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Identify business activities that are susceptible to financial crime and define the acceptable conducts regarding the process in order to standardize the procedure; • Assess the impacts brought by different financial crimes in order to determine the suitable types of control systems or measures; • Conduct benchmarking studies to identify industry good practices and select an approach which is aligned with the nature, scale and complexity level of the bank's activities; • Conduct research on relevant regulatory requirements and identify the implications on the bank's policies and procedures in combating financial crimes. <p>3. Professional Behaviour and Attitude</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Analyse the implications of control measures developed and provide relevant resources (e.g. training) to facilitate compliance with the policies; • Identify competency requirements and assign roles and responsibilities to different parties for monitoring the compliance with the good business practices; • Monitor the development trends in financial crimes and update the respective policies when necessary; • Conduct regular review on effectiveness of control measures developed and adjust accordingly.
Assessment Criteria	<p>The integral outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> • Development of policies to specify the stance of banks in combating financial crime. This should be based on consolidated findings across different research on banking environment, regulatory requirements, trends in financial crimes and unique situation of the bank;

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	<ul style="list-style-type: none">• Overseeing and monitoring implementation of the policies by analysing resources requirements, competence requirements for different roles, development trends in financial crime and effectiveness of control measures, etc.
Remark	