

Professional SME Risk Manager Certification (PRMC)

Small and Medium Enterprises



In-Class



100 hours



EGP 25,000

Course Description:

This certificate is designed to provide the following:

- Comprehensive knowledge and practical skills in managing credit risk and other associated risks within small and medium-sized enterprises (SMEs).
- The certificate aims to equip participants with the ability to identify, assess, and mitigate various financial risks, thereby enhancing their decision-making and strategic planning capabilities.
- This certificate aims to enhance participants' capabilities to identify, measure, and mitigate various types of risks that SMEs face, ensuring robust credit risk management practices.
- Also the certificate focuses on contemporary issues such as sustainability, ESG, climate change risks, and compliance with international regulatory standards, enabling professionals to manage SME portfolios effectively in a dynamic and complex financial environment.
- Additionally, it seeks to foster an understanding of regulatory frameworks, financial instruments, and risk management techniques specific to SMEs.

Target Audience:

- **Credit Risk Analysts and Managers:** Responsible for assessing and managing credit risk within financial institutions.
- **Banking and Financial Services Officers and Managers:** Individuals working in roles related to lending, credit, and risk management in banks and financial institutions.
- **SME Financial Officers and Managers:** Who are involved in financial decision-making and risk management.
- **Consultants and Advisors:** Consultants providing advice on credit risk management to SMEs and financial institutions.
- **Auditors and Compliance Officers and Managers:** Ensuring adherence to regulatory standards related to credit risk.
- **Finance and Accounting Officers and Managers:** Individuals seeking to enhance their understanding of credit risk and its implications for financial management.

Course Objectives:

By the end of this course, participants will be able to:

- Provide participants with a comprehensive understanding of the credit risk management principles and practices tailored to the SME sector.
- Enhance participants' skills in credit risk assessment and management, enabling them to effectively evaluate the creditworthiness of SMEs and manage the credit portfolio.

Professional SME Risk Manager Certification (PRMC)

Small and Medium Enterprises



In-Class



100 hours



EGP 25,000

- Explain how to manage different types of credit risks- from Credit Agreements to Debt Recovery.
- Understand credit risk and price modelling.
- Provide participants with a comprehensive understanding of IFRS 9 and effect on SMEs.
- Understand Basel principles and impact of risk.
- Identify and explain the various risks associated with sustainable finance, climate change, and ESG .
- Develop participants' expertise in operational and market risk management, ensuring comprehensive risk coverage across all aspects of SME operations.

Course Outline:

Module 1: The Credit Risk Environment

- Sources of Credit Risk.
- The key macro and micro-financial Factors behind, and drivers of credit risk.
- Impact of Credit Risk in Turbulent Waters (Geopolitical Tensions).
- Industry Analysis and Counterparty Risk.
- Credit Risk Strategy & Implementing Credit Limits.
- Credit Risk Assessment Framework.
- Concentration Risk & Exposure Limits.
- Diverse Credit Portfolio & Aggregate Group Position.

Module 2: Measurement of SMEs credit risk and adverse outcomes

- Introduction to SME Lending .
- Understanding the SME Credit Risk Profile.
- Fundamental Analysis of Financial Statements (Focused on SME Credit Risk Evaluation).
- Improving & Evaluating the Cash Flow Cycle.
- Analyzing Financial Statements Techniques .
- Common Accounting Manipulations and Red Flags.
- Foundational understanding of credit risk principles.
- Evaluating the Need for Finance for SMEs.
- Financing methods and their risk implications.
- International trade finance instruments and related Risks.

Module 3: Managing Credit Risk - from Credit Agreements to Debt Recovery

- Facility Structuring; Credit Agreements & Covenants.
- Monitoring & Controlling Credit.

Professional SME Risk Manager Certification (PRMC)

Small and Medium Enterprises



In-Class



100 hours



EGP 25,000

- The Early Warning Signs and Dealing with Potential Bad Debts.
- Credit Protection Insurance (CPI).
- Collateral – from Taking to Realizing.
- Credit Derivatives – CDS & CDO's.

Module 4: Modelling Credit Analysis & Price

- Credit Rating Systems.
- Credit Risk Modelling
 - Credit Scoring Models
 - Distress Models
 - Value at Risk (VaR) Models
- Risk-Adjusted Pricing – - RAP- RAROC in Credit Decisions.
- Stress Testing Credit – (Assessing the impact of changing market & economic conditions).

Module 5: IFRS 9 Standards

- IFRS 9 Introduction .
- Classification and Measurement of Financial Instruments.
- Expected Credit Loss (ECL) Model.
- Probability of default (PD) Estimation for SMEs Portfolios.
- ECL Calculation and Measurement for SMEs.
- Impairment.
- Regulation & Supervision IFRS 9 Financial Instruments.
- IFRS 9 Requirements & Reporting .

Module 6: Basel Accords

- Introduce Regulations and Supervision: Basel principles – impact of risk .
 - Basel I
 - Basel II
 - Basel III
 - Basel IV

Module 7: Sustainability, ESG and Climate change risks

- Sustainability, ESG, and Climate Change Explained.
- Overview of Risks in Sustainable Finance, Climate Change, and ESG.
- Corporate Sustainability Instruments.
- CBE Instructions and Guidance.
- International Guidance and responsible Institutions.
- Impact of Sustainability, ESG & Climate Change on SMEs.
- Reporting.
- Case studies.

Professional SME Risk Manager Certification (PRMC)

Small and Medium Enterprises



In-Class



100 hours



EGP 25,000

Module 8: Operational and Market Risk for SMEs

- Introduction of operational and Market Risk for SMEs.
- Framework of Operational Risk.
- Market Risk (interest rate risk, Foreign exchange risk, Liquidity Risk).

Study tour (optional)

Assessment Strategy

Participants will be assessed based on the following:

60% average cut-off score in the Post Exams.

70% cut-off score in Applied Research.

Weights in the certificate:

Applied Research – 50%

Post Exams – 40%

Participation 10%

Upon Successful Completion of this Course, participants will obtain:

This course entitles participants to obtain 8.4 CEUs

Course Language:

English

Prerequisites:

Minimum 3 years of experience in risk/credit field

English language level must be intermediate