



CENTRAL BANK OF EGYPT
Egyptian Banking Institute

Retail Credit Risk

ACCREDITED BY
ACCETQ
A Partnership for Quality

Risk Management



453-P26-VE-1



Virtual



29 hours

Course Description:

This course equips professionals in retail credit, risk, collection, recovery, operations, business development, and customer services with essential retail banking knowledge. Participants will define key retail banking concepts, apply scorecard monitoring and credit decision-making techniques, and propose fraud mitigation strategies through interactive discussions and assignments. Under guided instruction, learners will explain retail lending principles, describe portfolio management processes, and summarize retail risk regulations. By the end, participants will demonstrate practical skills in managing non-performing accounts and building effective credit risk management teams.

Target Audience:

This course targets candidates who work in retail credit, retail risk, retail collection and recovery, retail operation, retail business development and customer services.

Course Objectives:

- Define the key concepts of retail banking, including its importance, services, products, target market segments, and associated risks.
- Explain the principles and strategies of retail lending, including secured facilities, credit scoring, and scorecard development processes.
- Apply scorecard monitoring techniques and credit data analysis to make informed credit decisions based on delegation matrices and deviation policies.
- Identify the classifications of retail delinquencies, collection processes, recovery strategies, and types of insurance for non-performing accounts.
- Describe the role of IT in retail lending, types of management information system (MIS) reports, and portfolio management forecasting techniques.
- Use knowledge of card fraud management strategies and recent fraud developments to propose solutions for mitigating fraud risks.
- Summarize retail risk regulations, including negative list rules, CBE reporting, and provision calculations, and describe the structure and functions of a credit risk management team.

Course Outline:

Module One: Importance of Retail Banking

Chapter One: Risks Associated with Banking and Retail Lending

Session One: Risks Associated with Banking and Retail Lending

- Importance of retail banking.
- Retail services & products (Assets & Liabilities).
- Target market segments.
- Risks associated with retail lending.
- Types of risks.
- Assignment.

Chapter Two: Credit Cycle and Principles of Credit Risk Management

Session One: Credit Cycle and Principles of Credit Risk Management

- Definition of credit risk management and its cycle.
- Credit policies & loans features.
- Accepted segments & companies coding policies.
- Post-approval procedures.
- Assignment.

Module Two: Retail Lending

Chapter One: Retail Lending Principles

Session One: Retail Lending Principles

- Secured facilities.
- Pre-approved facilities.
- Top Up loans/card limit increase.
- DBR calculation.
- Credit scoring.
- No income proof strategies.
- Other retail lending strategies.
- Assignment.



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Chapter Two: Typical Scorecard Development Process

Session One: Typical Scorecard Development Process

- Why scorecard.
- Individual's characteristic.
- Scorecard importance.
- Behavior scorecard.
- How to develop an application scorecard.
- Assignment.

Module Three: Scorecard and Credit Decision-Making

Chapter One: Scorecard Monitoring and Evaluating

Session One: Scorecard Monitoring and Evaluating

- Scorecard monitoring and Tracking Importance.
- Assignment.

Chapter Two: Credit Data Analysis and Credit Decision-Making

Session One: Credit Data Analysis and Credit Decision-Making

- How to make credit decisions.
- Credit delegation matrix.
- Deviation policies.
- Most important alerts.
- Assignment.

Module Four: Managing Non-Performing Accounts

Session One: Managing Non-Performing Accounts

- Retail delinquency classification.
- Collection processes.
- Recovery processes.
- NCL management & control.
- Types of insurance.
- Assignment.

Module Five: Portfolio Management and Forecasting

Session One: Portfolio Management and Forecasting

- IT responsibilities toward retail lending.
- Types of reports (MIS).
- Portfolio management forecasting.
- Assignment.

Module Six: Fraud Cards

Session One: Fraud Cards

- Recent developments in fraud cards.
- Card fraud management.
- Samples of fraud cards.
- Assignment.

Module Seven: Regulations related to Retail Risk and building a Credit Risk Management Team

Chapter One: Regulations Related to Retail Risk

Session One: Regulations Related to Retail Risk

- Negative list rules.
- CBE reporting rules.
- Provision calculation with.
- Impairment provisions.
- Provision allocation.
- Marginalized interest.
- Assignment.

Chapter Two: Building and Recruiting a Credit Risk Management Team

Session One: Building and Recruiting a Credit Risk Management Team

- The credit risk management department and its functions.
- Typical organization chart.
- Capacity plan for each section.
- Assignment.



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Assessment Strategy,

- 80% based on assignments.
- 20% based on participation.
- Passing score: 60% of total grade (out of 100).

Course completion will grant participants:

2.7 CEUs

Course Language:

English.

Prerequisites:

- 3-5 years of banking experience, including at least 3 years in retail.
- Intermediate level of English.