

Specification of Competency Standards of the Insurance Industry

**Unit of Competency**

**Functional Area: Legal & Compliance**

Title	Formulate corporate compliance policies
Code	105621L6
Range	This unit of competency is applicable to those who are responsible for formulating corporate compliance policies. It involves evaluating implications of compliance requirements, rules and regulations set forth by relevant regulatory bodies on business operations, analyzing likelihood and severity of damages from non-compliance activities, developing compliance framework and establishing compliance principles for different units.
Level	6
Credit	6 (for reference only)
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> <li>1. Possess knowledge in formulating compliance policy <ul style="list-style-type: none"> <li>• Well versed with regulatory requirements in respect of the insurance industry, including all of the relevant ordinances and statutory regulations; guidance notes and circulars issued by the regulators; industry standards, guidelines and codes of practice issued by industry bodies</li> <li>• Alert to global trends on compliance and governance</li> <li>• Comprehend corporate business development strategy</li> </ul> </li> <li>2. Formulate corporate compliance policy <ul style="list-style-type: none"> <li>• Evaluate implications of compliance requirements, rules and regulations set forth by relevant regulatory bodies on business development</li> <li>• Acquire full knowledge of compliance requirements pertaining to specific business lines, e.g. requirements on anti-money laundering and counter-terrorist financing for long-term businesses</li> <li>• Work with different business units to assess impact of compliance requirements, rules and regulations on operations</li> <li>• Analyze likelihood and severity of damages from non-compliance activities in different business units</li> <li>• Consolidate compliance analysis in different units</li> <li>• Develop compliance framework</li> <li>• Establish compliance principles for different units</li> <li>• Develop remedial principles to deal with non-compliance activities</li> <li>• Analyze resources required on to support compliance implementation</li> <li>• Disseminate company compliance policies to units and allocate resources as required</li> <li>• Review corporate compliance policy in light of changing regulatory requirements</li> </ul> </li> <li>3. Ensure compliance policy is in line with compliance requirements, rules and regulations, set forth by relevant regulatory bodies, and support corporate development strategy <ul style="list-style-type: none"> <li>• Develop compliance framework based on evaluation of regulatory implications, operational impacts and non-compliance consequences</li> <li>• Formulate compliance principles and remedial principles to resolve non-compliance situation</li> <li>• Distribute relevant compliance policies and allocated resources to support compliance implementation</li> <li>• Revise corporate compliance policy based on changing regulatory requirements.</li> </ul> </li> </ol>
Assessment Criteria	<p>The integral outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> <li>• Able to determine and analyze the elements deemed relevant to the formulation of corporate compliance framework</li> <li>• Able to establish compliance principles to guide corporate operations</li> <li>• Able to develop remedial principles to counteract non-compliance activities</li> <li>• Able to review and adjust compliance policy based on changing regulatory requirements.</li> </ul>
Remark	This unit of competency is also applicable to general insurers, life insurers and broker.