

CREDIT ANALYSIS AND LOAN MANAGEMENT

Duration: 4 days, 10-13 July 2017

OBJECTIVES

Upon completion of the programme, participants will be able to:

- Identify and apply the banks' credit policies and credit review approach and the BOT guidelines related to lending.
- Analyse and Interpret basic financial statements.
- Understand procedures for securities documentation, registration, release and realization.

CONTENTS

1. Importance of the Lending Function
 - To the Lending Institution
 - To the Economy in General
2. Features of Good Credit Management
 - Credit Policy
 - Credit Manual
 - Risks Management Guidelines
3. BOT Prudential Guidelines on Lending
 - Pre-requisites for Lending
 - Classification of Credit Accommodations
 - Provisioning for Losses
 - Concentration on credit
 - Reporting Requirements
4. Assessment of the Credit Proposal
 - For short term facilities; Financial Statement Analysis
 - For long term facilities; Project Appraisal
5. Securities for Loans.
 - Need for security
 - Aspects of a Good Security
 - Types: Mortgages, Debentures, Guarantees, Indemnities, etc
6. Loan Administration/Documentation.
 - Loan Agreement or Offer Letter

- Pre-Disbursement Conditions
- Loan Documentation
- The Credit File
- Loan Account Monitoring
- Loan Account Evaluation
- Why Credits Go Bad?
- Bad Loan Warning Signals/Red Flags
- Monitoring for Prevention

7. Bank Lending Experiences and challenges

TARGET GROUP

Accounts Managers/Officers, Credit/Loan Managers/Officers and Operations Managers.

METHODOLOGY

Lectures, group discussions and case studies

VENUE

TIOB Training Room, 10th Floor NIC Investment House, Dar es Salaam

ASSET AND LIABILITY MANAGEMENT

Duration: 3 Days, 09 - 11 August 2017

OBJECTIVES

At the end of the training, participants will be able to:

- Identify the conceptual aspects of Asset and Liability Management (ALM).
- Acquire skills to manage assets and liabilities more efficiently in a competitive environment.
- Identify potential client and risk mitigating techniques used to overcome key asset and liability risks.
- Evaluate contemporary issues and risk management approaches aimed at reducing price and liquidity risks in banks.
- Understand and apply the compliance procedures of ALM.

CONTENTS

- Conceptual Framework on Asset and Liability Management.
 - Need for macro- and micro-level Asset and Liability Management.
- Asset and Liability Components of a Balance Sheet.
 - Speciality of Banks.
 - Key assets and liabilities components on banks.
 - Each component and information value
- Functions of ALCO and other Committees in ALM.
 - Role of Asset and Liability Committee (ALCO).
 - Role of Credit Committee and Investment Committee.
- Managing Off-Balance Sheet Risks.
 - Off-Balance Sheet Items and Information and Risks Potential.
 - Regulatory position regarding Off-Balance Sheet Items.
- Liquidity Management.
 - Types of Liquidity Problems.
 - Short run Liquidity Problems.
 - Long run Liquidity Problems.
- Managing Liquidity risk.
 - Tactics and Strategies.
 - The Connection between Stress Tests and Balance Sheet Management.
 - Concentration/Diversification Overview.

- Cost of Funds and Computation of Cost of Funds.
- Computation of Yield and Yield Curve.
- Management of Loan Portfolio and Pricing of Loans.
- An Overview of VAR Measurement Techniques.
- Risk Management Perspectives and ALM.
- Capital Adequacy.
- Profit Planning through Balance Sheet.
- ALM Compliance and Regulatory Environment/BOT Prudential Guidelines.
- ALM and Strategic Management of Banks.

TARGET GROUP

- Finance Managers
- Auditors, Risk and Compliance Managers
- Treasury Managers,
- Credit Managers,
- ALCO Members.

METHODOLOGY

Lectures, role plays, case studies and group discussions.

VENUE

To be communicated.