

IFRS 9 Expected Credit Losses Modeling for Central Banks

20 – 24 September 2027
Madrid (Spain)

UK Training

PARTNER

A photograph of chess pieces on a checkered board. In the foreground, a large gold king piece stands prominently on a dark square. To its left, a silver pawn piece sits on a light square. Further back, another silver pawn piece is visible on a dark square. The background features a series of concentric, light gray circles that create a sense of depth and focus on the king piece.

IFRS 9 Expected Credit Losses Modeling for Central Banks

Ref: 321799_147041 **Date:** 20 – 24 September 2027 **Location:** Madrid (Spain) **Fees:** 5200 GBP

Why This Course

IFRS 9 introduces a forward-looking expected credit loss ECL framework that has transformed credit risk management and reporting. For central banks, understanding and implementing robust ECL models is critical to ensure accurate provisioning, regulatory compliance, and informed decision-making. This intensive 5-day program equips central bank professionals with the knowledge, modeling skills, and governance practices required to develop and apply IFRS 9 ECL frameworks effectively.

What You'll Learn and Practice

By participating in this course, you will:

- Understand IFRS 9 requirements and their implications for central bank operations.
- Develop robust ECL models tailored to central bank portfolios.
- Master techniques for estimating key model parameters: Probability of Default PD, Loss Given Default LGD, and Exposure at Default EAD.
- Implement effective model governance, validation, and regulatory reporting processes.
- Analyze and interpret ECL model outputs to support strategic and operational decision-making.

Program Flow

Day 1: IFRS 9 Fundamentals for Central Banks

- Overview of IFRS 9 and its impact on central bank portfolios
- Understanding the ECL concept and three-stage impairment model
- Challenges and considerations unique to central bank portfolios
- Case studies: IFRS 9 implementation in central banking

Day 2: Building ECL Models - Part I

- ECL model components and architecture
- Data requirements and preparation for modeling
- Probability of Default PD modeling techniques
- Incorporating macroeconomic factors and forward-looking information

A graphic of a chessboard with several chess pieces (king, queen, rook, knight, and pawns) in gold and silver. The text 'UK Training PARTNER' is overlaid on the board.

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Day 3: Building ECL Models - Part II

- Loss Given Default LGD modeling approaches
- Exposure at Default EAD calculation methods
- Estimating lifetime expected credit losses
- Handling low-default portfolios in a central bank context

Day 4: Model Validation and Governance

- ECL model validation frameworks and techniques
- Sensitivity analysis and stress testing
- Model governance best practices for central banks
- Regulatory reporting and disclosure requirements

Day 5: Practical Application and Case Studies

- Hands-on ECL modeling workshop
- Interpreting and applying ECL model outputs for decision-making
- Case studies: ECL impact analysis on central bank balance sheets
- Future developments and ongoing challenges in ECL modeling

Training Methodology

This program integrates theory, modeling practice, and case studies to ensure applied learning:

- Hands-on exercises in ECL model development and parameter estimation
- Interactive workshops on model validation, stress testing, and governance
- Case studies highlighting IFRS 9 implementation in central banks
- Group discussions on regulatory compliance, risk management, and best practices

Beyond the Course

Participants will leave the program able to:

- Develop a tailored ECL model framework for their central bank portfolio.
- Enhance existing ECL models and implement governance and validation practices.
- Ensure regulatory compliance and improve reporting capabilities.
- Use ECL outputs to support better-informed credit risk and balance sheet decisions.
- Apply forward-looking modeling techniques to strengthen central bank risk management strategies.

A graphic of a chessboard with several chess pieces (a king, a queen, and a pawn) in the foreground. The text 'UK Training PARTNER' is overlaid on the board.

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