

Engagement of consultant for development of Expected Credit Losses (ECL) Model design and development

SBI Singapore invites you to submit your Proposal/Financial quote for the following:

a) SCOPE OF WORK:

Expected Credit Losses (ECL) Model design and development.

b) DELIVERABLES:

- ECL model development with methodology & SOP documents as per portfolio mix of the branch, validation, key assumptions, judgement, effectively aligning with credit risk rating & monitoring system at the branch. (The model to be developed in line with MAS circular dated 26.09.2023 on Recognition of Loss Allowances for Expected Credit Losses (ECL))
- Formulating PD adjustment structure with granular differentiation at industry/sector level
- Collateral/recovery rate for LGD to factor in current and future economic conditions
- Behavioural considerations for EAD.
- Identifying external historical default data covering full life cycle. External data should be assessed and justified for representativeness of branch portfolio.
- Identifying diverse MEVs and shortlisting relevant macro-economic factors suitable to branch portfolio and obtain historical figures to be included in the model.
- SICR indicators appropriateness and review on effectiveness. Assessment and appropriateness of low credit risk exemption with proper justification and analysis.
- Determination of lifetime and time value of money.
- Provide model validation policy and procedure including suggestions and template to conduct validation test.
- Model overlay governance including review and approval of overlays.
- Regular reporting and escalation process with suitable templates to be incorporated in ECL policy and procedure.

- Training and knowledge sharing to the operating staff. Presentation to Senior management.
- Provide support in refreshing of quarterly templates and working out ECL figures with explanation/interpretation in movement of ECL figures for one year with provision of extension.

(c) Time line for submission of quotes: 15.02 2024.

Pre-bid meeting would be required before submission of the proposal. Pre-bid meeting may be arranged physical or virtual via teams.

(d) Quotation denominated in **Singapore Dollar** to be submitted.

(e) **Deliverable:** The timeline for completion of the model will be 31.03.2024.

Details of Contact Person:

Name: C S Patel / Naazish Saajid

Contact Number: HP: 90026841/93387650

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Please arrange to submit the quote in seal cover in hard copy on the following address:

VP - Inspection & Audit, Quality Assurance
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Note: The issue of this RFP does not imply that the Bank is bound to select a Bidder, as the case may be, for hiring the consultant and reserves the right to reject all or any of the Bids without assigning any reason whatsoever.