

# LIBF

**LIBF Level 3**

**International Banking and Finance  
Certificate - Foundation (IBCF)**

Qualification specification



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## Purpose of the qualification

### Why study the International Banking & Finance Certificate – Foundation (IBCF)?

The Level 3 International Banking & Finance Certificate – Foundation (IBCF) has been designed to develop and enhance your knowledge and understanding of banking and finance, and to equip you with the skills required of the modern banker.

This course takes an international perspective, looking at typical banking and finance products, services and processes.

As you progress through the qualification, you will have the ability and opportunity to apply the knowledge gained across a range of banking functions. This will allow you to develop both personally and professionally.

This qualification has been developed for customer-facing staff and will equip you with essential knowledge of the financial services environment, regulatory requirements, banking products and services.

### Objective and key content areas

To provide those new to banking services roles in international financial centres with a foundation level knowledge of the banking sector, the roles within a banking or financial organisation, and banking products and services.

Throughout the programme, you will understand the:

- role and function of banks in the economy, and the financial infrastructure;
- different types of financial institutions;
- basic financial calculations (averages, probability, interest);
- bank balance sheets, and profit and loss;
- key financial risks;
- compliance;
- key product offering in personal and corporate banking;
- fintech and digital disruption; and
- principles of providing credit.

## Key skills developed

The qualification will encourage you to:

- understand the financial eco-system and its components;
- understand financial concepts and terminology;
- consider the financial services and solutions offered by a bank and begin to formulate opinions as to the suitability of a solution to specific customer situations; and
- demonstrate numeracy skills, including the ability to analyse financial reports, understand credit risk and calculate the cash flows associated with financial products.

## Structure

IBCF is made up of one unit, which must be successfully completed to achieve the qualification:



## Qualification delivery

### Total Qualification Time (TQT)

Total Qualification Time (TQT) is a prediction of the total time the typical student may need to complete the course.

TQT consists of two elements, Guided Learning (GL) and all other hours:

- Guided Learning (GL) comprises study time under direct teacher supervision, encompassing instructional sessions and supervised examinations.
- All other hours include hours spent unsupervised in research, learning, e-learning, e-assessment, completing coursework, exam preparation, and formal assessments.

IBCF is primarily considered as a self-directed study qualification with a single planned examination session.

Guided Learning Hours	2.5 hours
Other hours	121.5 hours
Total Qualification Time	124 hours

## Assessment

The unit is assessed through a two-and-a-half-hour mandatory multiple-choice examination. A total of 65 marks are available comprising 40 marks in part 1 and 25 marks in part 2. The unit pass mark is 60% and you must achieve the minimum pass mark for the whole unit. The structure of the assessment ensures that all aspects of the course content are subject to external examination.

- Part 1: an electronic assessment with 40 multiple-choice questions. This component is worth 40 marks.
- Part 2: An electronic assessment with five mini-case studies, each with five linked multiple-choice questions. This component is worth 25 marks.

## Preparing for the assessment

Examinations are sat electronically at any one of the Pearson VUE test venues worldwide or via Remote Invigilation in permitted locations where you can sit your assessment remotely. You must be registered to sit an examination at a test venue of your choosing (subject to demand/availability); this is managed by you. It is recommended that you book your exam three weeks in advance of the date you wish to sit. However, subject to availability, an examination can be booked as little as two working days in advance. Examinations can be booked via the Pearson VUE website or by phone. Please visit the Pearson VUE website for further information.

To prepare for the assessment you should make use of all learning resources as part of your revision for the exam.

## Qualification grading

IBCF is a single-unit qualification and is graded Pass/Fail only. To achieve a pass in the qualification, you must achieve a mark of 60% in the unit. The unit and qualification are both graded and a higher level pass is identified at distinction (80%) level.

Grade	Pass mark
Pass	60 – 79 %
Distinction	80 – 100 %

Feedback is provided via analysis sheets available on [MyLIBF](#), to see your strengths and areas to develop.

## Resit attempts

The qualification has a twelve-month registration period. There are no restrictions on the number of times you can resit a unit in which you were unsuccessful, however, you must resit the unit in accordance with the published policies of LIBF.

## Additional information

### Entry requirements

Whilst there are no formal entry requirements it is strongly recommended that you have previously successfully studied at this level. You also need to be satisfied of your ability to study and sit a formal assessment in English and be confident in your ability to study the mathematical elements of this course.

### Recognition of prior learning

In line with LIBF regulations, as IBCF is a single unit qualification, recognition of prior learning does not apply.

### Progression and preparation for further study

When you have successfully completed the Level 3 International Banking & Finance Certificate – Foundation (IBCF), there are opportunities for further study with LIBF. The Level 4 International Banking & Finance Certificate – Intermediate (IBCI) has been designed

to progress from IBCF, please refer to the [course page](#) for more details. In addition, our [Professional Qualifications](#) cover a wide range of topics and areas including retail and corporate banking, trade finance, and other specialist qualifications.

## Preparation for employment / professional development

This qualification has been designed for new entrants within retail and corporate banking. It develops knowledge and understanding and enhances skills that are valued within a broad range of roles in banking.

## Appendices

### Appendix 1 – Unit 1 Details

Appendix 1 provides a description of Unit 1 International Banking & Finance (IBCF) and syllabus which includes the learning outcomes, assessment criteria and indicative content for the unit.

#### Unit 1 learning outcomes and assessment criteria

<b>UNIT 1 SYLLABUS</b> <b>LOs / ACs</b>	
<b>LO1:</b>	<b>Understand the role and functions of banks</b>
AC1.1	Understand the role of banks. <ul style="list-style-type: none"> <li>• What is a bank?</li> <li>• Function of a bank (Intermediation)</li> <li>• Different types of financial institutions:               <ul style="list-style-type: none"> <li>○ Personal banking (retail and wealth management)</li> <li>○ Business banking (corporate and Investment banking)</li> <li>○ Principle-based banking:                   <ul style="list-style-type: none"> <li>- Ethical</li> <li>- ESG</li> </ul> </li> <li>○ Community banks</li> <li>○ Fund management</li> <li>○ Specialised financial services</li> </ul> </li> </ul>
AC1.2	Understand the difference between Front, Middle and Back office functions
AC1.3	Understand the role of the different institutions in the financial services infrastructure. <ul style="list-style-type: none"> <li>• Global Regulators (BIS, FATF, IOSCO, ISDA)</li> <li>• Central Banks</li> <li>• Other local regulators in financial services (Conduct Authorities, Bankers Associations)</li> <li>• Exchanges</li> </ul>
<b>LO2</b>	<b>Apply financial calculations including Present (PV) and Future Value (FV).</b>
AC2.1	Apply key financial calculations (interest rate calculation, discounting and compounding), their purpose and use: <ul style="list-style-type: none"> <li>• Averages (mean, median, mode)</li> <li>• Probability</li> <li>• Simple and Compound interest</li> <li>• Time value of money</li> <li>• Present Value calculations</li> <li>• Future Value calculations</li> </ul>
<b>LO3</b>	<b>Interpret a bank's balance sheet and Profit and Loss</b>



AC3.1	<p>Interpret the main components of a typical bank balance sheet and distinguish between assets and liabilities.</p> <ul style="list-style-type: none"> <li>• Introduction to the Balance Sheet</li> <li>• Assets and liabilities</li> </ul>
AC3.2	<p>Understand how banks are funded.</p> <ul style="list-style-type: none"> <li>• Customer deposits</li> <li>• Capital</li> <li>• Equity and other long-term liabilities</li> </ul>
	<p>Analyse a bank's Profit and Loss / Income statement</p> <ul style="list-style-type: none"> <li>• Different types of income (interest, fees)</li> <li>• Different types of cost</li> <li>• Bank profitability (net income, cost of capital, operating cost)</li> </ul>
<b>LO4</b>	<b>Identify the key risk types facing banks, why and how banks are regulated and the importance of capital.</b>
AC4.1	<p>Assess the main types of risk that banks face and distinguish between different risk types.</p> <ul style="list-style-type: none"> <li>• Credit risk</li> <li>• Market risk</li> <li>• Operational risk</li> <li>• Reputational risk</li> <li>• Liquidity risk</li> <li>• Regulatory risk</li> </ul>
AC4.2	<p>Understand the Basel capital requirements.</p> <ul style="list-style-type: none"> <li>• The importance of capital under the Basel regime</li> <li>• Purpose of Risk-Weighted Assets</li> <li>• Purpose of Net Stable Funding Ratio</li> <li>• Purpose of Liquidity Coverage Ratio</li> </ul>
<b>LO5</b>	<b>Interpret basic compliance issues</b>
AC5.1	<p>Interpret the requirements for:</p> <ul style="list-style-type: none"> <li>• Know Your Customer</li> <li>• Due Diligence and Enhanced Due Diligence</li> <li>• Politically Exposed Persons</li> <li>• Anti-Money Laundering</li> <li>• Non-arms length relationships</li> <li>• Conflicts of interest</li> </ul>
AC5.2	Be able to apply client risk appetite assessment
<b>LO6</b>	<b>Evaluate key products offered by banks</b>
AC6.1	<p>Understand different retail bank products and services:</p> <ul style="list-style-type: none"> <li>• Current accounts</li> <li>• Credit cards</li> <li>• Deposits</li> <li>• Overdrafts</li> <li>• Loans</li> <li>• Mortgages</li> </ul>
AC6.2	Evaluate different private banking products and services

	<ul style="list-style-type: none"> <li>• Retail customers</li> <li>• Investment services</li> <li>• Portfolio and fund management</li> <li>• Asset allocation</li> </ul>
AC6.3	<p>Evaluate the different corporate banking products and services</p> <ul style="list-style-type: none"> <li>• Loans and bonds</li> <li>• Transaction banking services (cash management)</li> <li>• Correspondent Banking</li> <li>• Equity</li> <li>• Trade finance</li> <li>• Foreign Exchange</li> <li>• Working capital</li> <li>• Supply chain financing</li> </ul>
AC6.4	<p>Understand Fintech and digital disruption:</p> <ul style="list-style-type: none"> <li>• Cryptocurrency</li> <li>• Blockchain</li> <li>• Digital offering</li> </ul>
<b>LO7</b>	<b>Assess the Principles of Credit Applications</b>
AC7.1	<p>Understand the credit assessment process in retail and private banking</p> <ul style="list-style-type: none"> <li>• Main life events impacting unlikelihood to pay</li> <li>• Credit bureau data</li> <li>• Behavioural scoring</li> <li>• Credit scoring versus behavioural scoring</li> </ul>
AC7.2	<p>Assess the credit assessment process in corporate finance</p> <ul style="list-style-type: none"> <li>• Corporate credit analysis</li> <li>• Introduction to financial analysis</li> <li>• Balance sheet, profit and loss, and cashflow statements</li> <li>• Financial ratios</li> <li>• Secured and unsecured debt</li> </ul>