



**ICAAP Policy, Risk
Assessment/Measurement,
Capital Budgeting and Stress
Testing for a large Banking
Group in GCC**

The Client

One of large Banking Groups in GCC offering a range of banking services including Commercial and Retail banking services, with a total asset size of USD 10 bn and a network of 110+ branches across five countries

Scope and Approach

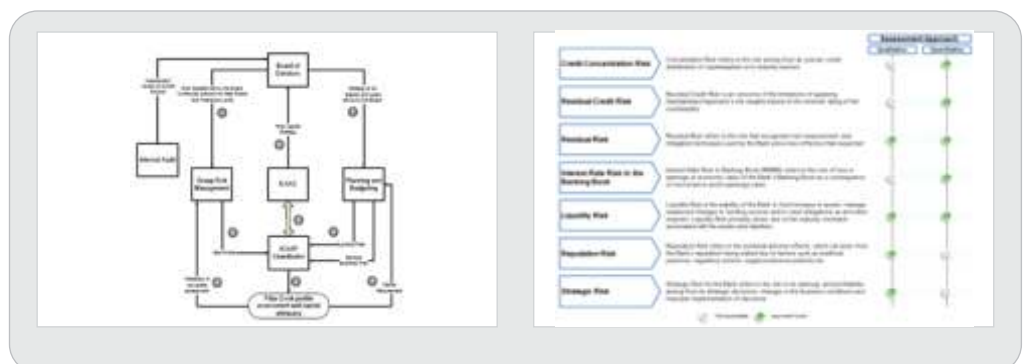
The Client intended to implement the Pillar II requirements of Basel II and required Aptiva to develop an internal capital adequacy assessment process (ICAAP). As part of the engagement, Aptiva developed an ICAAP Governance & Policy Framework, developed methodologies for Risk Assessment & Measurement of Pillar II risks (such as Concentration Risk, IRRBB, Liquidity Risk, Reputation Risk, Strategic Risk, Residual Risk etc), developed capital budgeting framework including future capital projections for 3 to 5 years and conducted stress tests for these risks with a view to see the impact on profitability and capital adequacy, over a period of 16 weeks.

Results

The ICAAP Policy and ICAAP Results were presented to the Senior Management for their approval and subsequent submission to Central Bank."

Deliverables

- + ICAAP Vision & Charter
- + Development of Risk Appetite Statement and Risk Tolerance Limits
- + ICAAP Framework (Risk Assessment, Capital Planning and Stress Testing) and Results
- + Senior Management Training and Orientation



About Us

Aptivaa is a dedicated risk and compliance consulting firm delivering risk management solutions to the financial services industry.

We offer risk consulting, solutions and analytical services to banks, insurers, as well as asset management and other financial services companies. Our domain expertise covers risk and compliance across credit risk, market risk and operational risk.

