



**Training on ICAAP Supervision to the  
Capital Market regulator of a GCC country**

## The Client

One of the prominent Capital Market regulators of GCC region

## Scope and Approach

Acknowledging varying practices and continually evolving approaches for capital management, a leading capital market regulator of the GCC region sought assistance in training all its employees in the department of supervision for effective design and assessment of ICAAP framework and associated reports.

The objective of the exercise was to further strengthen the regulatory expertise for effectively reviewing and evaluating Authorized Persons' (APs) internal capital adequacy assessments and strategies, as well as improvise the efficacy in monitoring and gauging APs' compliance with the regulatory capital ratios, and the overarching guidelines. The training sessions driven by experts from Aptivaa, covered the entire spectrum of Pillar 2, ranging from governance framework, risk assessment & measurement for capital computation, to capital planning, stress testing and ICAAP documentation.

In the introductory sessions, the members were provided with an overview of supervisory review process and apprised of the key components of Pillar 2 framework. The qualitative and quantitative risks, including their assessment and measurement methodologies were detailed for the participants. This methodology included interactive sessions, with workshops, quizzes and discussions around underlying elements such as Credit Concentration Risk, Liquidity Risk, Reputation Risk, Strategic Risk, Sharia compliance Risk, Regulatory Risk, etc. The members were provided insights into the aspects pertaining to risk appetite and capital planning, considered by various APs, and the recommended assessment methodologies, based on global practices.

## Results

The training was concluded, with high degree of participation amongst the members, marked by interactive exercises across the sessions, and was very well received with satisfaction surveys of the training being scored extremely positively. The regulatory body is better equipped to carry out the review and monitoring of the companies being regulated and assess the adequacy of the capital requirement in accordance with internal risk assessment.

## Deliverables

- SREP Training material with concepts and case studies on ICAAP framework
- Demonstration of stress testing, capital planning toolkits- elaborating assessment methodologies

## About Us

Aptivaa is a vertically focused risk and compliance professional services firm offering risk consulting, solutions and analytical services to banks, insurers, as well as asset management and other financial services companies across the globe.

We have developed world-class competencies in high-stakes financial risk and compliance areas such as Enterprise Risk Management, IFRS 9, Credit, Market & Operational Risk, Basel II, Basel III, ICAAP, Risk Based Pricing, Risk Systems implementations etc. We strive to enhance our offerings in line with the latest regulatory updates and ever evolving risk management methodologies and frameworks across the industry.



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