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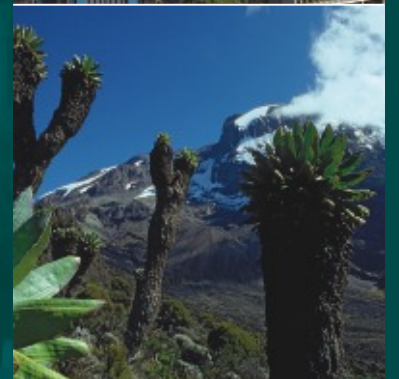
Leadership

# Risk Management & Governance:

Operational, Market, Credit risks and capital adequacy

Course Director: Dr. Jorge Guira  
19th - 21st May 2010,  
Lagos, Nigeria

- Risk Management
- Basle II
- VAR Models
- Directors' Liabilities
- Banks' Liabilities
- Banking Corporate Governance
- Market Risk - Current analysis



Three Day Finance Course - Lagos, Nigeria



# Risk Management & Governance:

## Operational, Market, Credit risks and capital adequacy

### Course director

Dr. Jorge Guira, Esq., is an experienced international lawyer and consultant to financial institutions and investment funds in which he evaluated the risk associated with these investments. He has served as Senior Fellow in London University and as Associate Professor in Law at Warwick University, including Director of International Corporate Governance and Financial Regulation Programme. He is the editor of leading journals such as the top ranked Kluwer Law and Business Review of the Americas as well as previously editing Informa's International Tax reporter. As an experienced lawyer, he has trained lawyers, bankers and business people across the world with regard to issues of international securities regulation, debt management, corporate finance law and banking. He has consulted for bankers at Goldman Sachs, JP Morgan Chase and many well known institutions and clients on topics such as investment, governance, financial law, and banking issues. Dr Guira has also served as Project Director for the IMF/World Bank on global legal reform projects.

### About the course

The global credit crunch has caused policymakers to revise their thinking on technical aspects of risk management science and Basel capital adequacy requirements. Balance sheet capitalization, or the lack thereof, along with various legal, accounting, regulatory and economic consequences are undergoing significant re-evaluation.

This seminar will bring bank directors, officers and supervisors up to date with balance sheet risks, their links to sound strategic and financial management as well as banking corporate governance. The programme also provides an understanding of the theory and practice of Basel II capital requirements, risk management and directors' liability for failures with regard to risk management from a legal perspective. Technical and systems analysis issues related to capital adequacy, risk, and provisioning policies from the perspective of both developed and emerging economies will also be evaluated. Practical case studies will assess the implications of implementing or failing to implement best practices - both from the standpoint of legal liability and the bottom line. Core methodology questions as to credit, market, and operational risk best practices are also featured.

### Who should attend?

- Bankers and Senior Executives
- Risk Mangers
- Board Directors
- Banking Officials
- Supervisors and Regulators
- Financial Analysts
- Lawyers
- Legal Counsel
- Governance & Compliance Officers
- Financial Controllers

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Email: [incompany@regalexchange.com](mailto:incompany@regalexchange.com)



## Day one

### Building Blocks for Sound Strategic Risk Management

- History of Basel
- Dimensions of Capital Adequacy - legal, accounting, regulatory capital, economic capital
- Why is economic capital usually more than regulatory capital?
- Why do deposit insurers and bank supervisors view banking operations differently?

### Reasons for Basel Development and Review of Fundamental Concepts and Current Challenges

- Limitations of the Basel Model
- The Basel Model's Link to Strategic Risk Management
- The Basel Model's Link to Banking Corporate Governance
- Comparative Analysis between Basle I and II Credit Risk
- Comparative Analysis between Basle I and II Market Risk
- Comparative Analysis between Basle I and II Operational

### Case Study:

- Understanding Core Basel and Strategic Risk Management concepts

### The Basel I Framework and the Rationale for Basel II; Their Application to Emerging markets in General and Development banks in Emerging Markets in Particular

- Core issues
- The five Basle I's - QIS reviews
- Implementation issues
- Changes to the core formula
- Why emerging and underdeveloped markets are different
- [Core Issues to Compare in Application-Bank supervisor v. Bankers]
- SME Liquidity, and other issues

### Overview of Risk Management: Selected Issues

- Risk types - credit, liquidity, market, operational
- VAR models in detail  
Duration issues and Treasury management
- Asset and Liability management  
Credit lines and Central Bank independence
- On site vs. offsite surveillance

### What Went Wrong and Current responses

### Discussion and Analysis: Current Regional and Local Challenges in Africa

## Day two

### Operational Risk and Corporate Governance

#### Operational Risk and Corporate Governance: Making the Linkage For Global Best Practice

- Detecting Fraud In detail
- Detecting Off Balance Sheet risks and Directors' Liability
- Corporate Governance and the Best Practices

#### Thinking about Directors' Liability for Risk Management-Operational Risk and Banking Corporate Governance Focus-Best practice and Beyond

- The OCC red flags
- COSO framework and the Treadway Commission
- ERM frameworks and processed Off balance sheet issues and securitisation, and guarantees
- Accounting and auditing
- Guarantees, Standby's, and Other Trade Finance Mechanisms
- Linkage with securities regulation and disclosure norms
- Credit derivatives

### Case Studies

- Board independence
- Guarantees
- Fraud: Improving Internal Control Processes and Financial Risk Measurement
- Using derivatives to control exposures

### Operational Risk and Credit risk Inter-relationship: IT Issues, Systems and Risk Analysis

- Stress testing - programmes and pitfalls of implementation
- Core risk issues - the four major types of risk in a matrix and how they are linked in order to cross-check, risk mitigate and risk avoid at optimal level
- Why credit risk is sometimes embedded operational risk and why this is important

### IT issues and Infrastructure

- Arbitrage
- Traps for the unwary
- Comparing the standardised to the bespoke approach

### Focus on Operational Risk-General Issues and What should development banks focus on?

- Controlling Operational Risk
- Key factors
- Measurement

### Case Study

## Day three

### Market and Credit Risk

#### Linkage to Credit Risk

- Core Issues
- Core methodologies
- Different types of loans
- Loan resolution methods and optimal restructuring
- Provisioning v. IFRS
- VAR and Stress Testing
- Relationship to Basel II
- Key issues for developed markets
- Key issues in emerging markets

#### Case Study:

- Issues for implementation in emerging markets
- Data sets and Policy
- Why some banks fail and others succeed

#### Credit Risk

- Key issues for contingent liabilities
- Proper disclosure for group holding companies and subsidiaries
- Other core issues of concern-asset dumping
- Counter-cyclical policies, Too big to fail, too complex to unravel, and political sensitivities

#### Case Study: Credit risk analysis

#### Market Risk:

##### Key issues and Challenges

- Basel II issues
- Measurement
- Risk avoidance and mitigation
- Volatility issues
- Commodities and Hard assets as compared to Bonds and Equities

#### Market risk:

##### Current analysis of key issues

- Global issues
- Regional issues reviewed  
Core methods to determine risk and to control it
- Development bank perspectives and checklist



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## Registration

I wish to register for  
Risk Management  
& Governance,

19th - 21st May 2010,  
Lagos, Nigeria

## Course fees

Standard delegate fee: £1450

The fee includes all tuition, lunches, teaching equipment and course documentation. Delegates are responsible for their own accommodation. Delegate's places are not guaranteed until payment has been received. An invoice will be sent upon receipt of booking.

## Booking/information

Mail to: Regal Exchange  
and Associates, 2 - 8 Victoria  
Avenue, London, EC2M 4NS

Tel: + 44 (0) 20 3206 1150  
Fax: + 44 (0) 20 3206 1151

info@regalexchange.com  
www.regalexchange.com

Photocopies of this form  
are accepted

To register please fill in and return the form below

## Personal details

Family name:  (Dr./Mr./Mrs./Ms./Other):   
First name:   
Position:  Department:   
Company:   
Address:   
City:  Postcode:   
Telephone:  Fax:   
Email (required):

I have read and agree to abide by all terms and booking conditions on this form

Participant signature:  Date:

## Sponsor

We wish to register this delegate for the course indicated above. We undertake to pay his/her fee and release him/her from all company responsibilities for the period of the programme.  
(please print clearly)

Name:  Position:   
Signature:  Date:

## Payment details

Cheque made payable to Regal Exchange and Associates Ltd. or SWIFT. Please always quote the invoice number which you will receive once you have registered, or alternatively please quote the reference REG 2010/04 and the delegates name in the transfer instructions.

Payment method: Cheque  SWIFT

## Cancellations and refunds

For Cancellations (which must be in writing) received by Regal Exchange and Associates 15 or fewer working days before the scheduled training event, the full fee is payable. For Cancellations more than 15 working days before the scheduled training event we charge a 33% cancellation fee. Refunds where applicable, will be made within 30 days of receipt of the written cancellation. Regal Exchange and Associates reserves the right to cancel events, change venues (within the same city) and substitute trainers, tutors and consultants at its discretion. Where events are cancelled by Regal Exchange and Associates, participants will receive a full refund for course fees paid, if alternative dates offered are not acceptable. If for any reason Regal Exchange and Associates decide to amend or cancel the event we will not be responsible for air-fares, hotel or other costs incurred by registrants.

## Transfers and substitutions

Participants wishing to transfer to another course less than 15 working days before the scheduled training event will be charged a transfer fee of 33% of the full fee, on the basis that we allow only one transfer per individual made. Subsequent cancellation or transfers will be charged at the full rate. Participants wishing to transfer to another course more than 15 working days before the scheduled training event may do so at no charge. Views expressed by trainers are their own, Regal Exchange and Associates disclaims liability for advice given or views expressed by any trainer at courses listed in this brochure, or in any notes or documents provided to participants.