

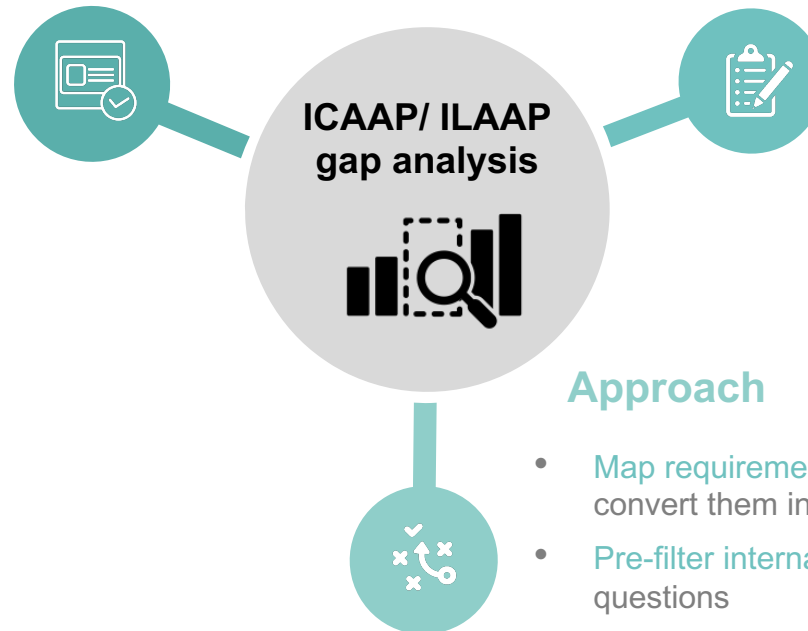
The ICAAP/ ILAAP gap analysis identified imminent steps to be taken towards compliance

Example of an ICAAP/ ILAAP gap analysis



Deliverables

- **110** Gaps identified
- **175** Actions described
- **20** Prioritised workstreams
- **3Y** Project plan formulated



Task

- Identify **gaps** in client's ICAAP/ ILAAP against ECB's Guides
- Prioritise **gaps**
- Derive **tailored 3Y project plan** to close them

Approach

- Map **requirements** to responsibility areas and convert them into questionnaires
- Pre-filter **internal documentation** to answer questions
- Run **structured interviews** to answer remaining questions
- Challenge consistency by **cross-checking against internal documents**
- Prioritise **gaps based on closing cost** and supervisory importance

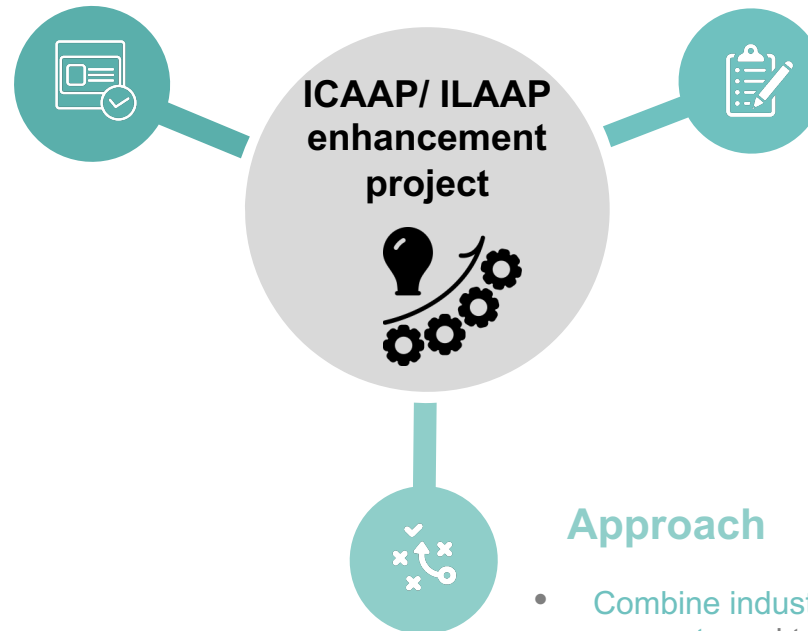
The ICAAP and ILAAP innovations designed in the project led to a more robust and transparent risk management framework

Example of an ICAAP/ ILAAP enhancement project



Deliverables

- Comprehensive risk map [risk types x legal entities]
- Strategy-aligned materiality thresholds
- Prudent and forward-looking management buffers
- Sufficiently prudent and value-based economic perspective
- Efficient normative ICAAP and ILAAP perspectives
- “Solvidity” stress tests



ICAAP/ ILAAP enhancement project

Task

- Enhance existing ICAAP/ ILAAP framework to reflect leading practices and close gaps to ECB’s requirements
- Establish ICAAP/ ILAAP as an ongoing, strategic process that frames any business decision
- Embed shareholder value metrics and -models in ICAAP/ ILAAP to convert enhancements into competitive advantages

Approach

- Combine industry best practices with proprietary concepts and tailor them to the specific business-, funding-, and ownership model of the client
- Widely socialise concepts to ensure smooth approval process