



## Course: Mastering Basel Capital Framework: Component of Capital Requirements Explained

### DELIVERED BY:

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Risk and Compliance management professional with 20+ years of international experience in banking and finance.



### OBJECTIVES:

- Gain a clear understanding of the Basel Capital framework structure, including minimum capital requirements, capital buffers, and the composition of eligible capital.
- Learn how to compute risk-weighted assets for credit risk exposures.
- Explore eligible forms of credit risk mitigation—including funded and unfunded protection—and understand how CRM techniques affect capital requirements.
- Understand the own funds requirements for operational risk and learn how to apply criteria for identifying, collecting, and treating internal loss data.



### SKILLS DELIVERED:

- Understanding of Basel capital framework structure and regulatory capital components.
- Familiarity with credit risk mitigation techniques and their role in capital requirements.
- General awareness of internal loss data considerations for operational risk.



### DESIGNED FOR:

- Risk Management and Compliance Teams
- Internal Audit and Regulatory Reporting Staff
- Finance and Strategy Analysts
- Senior Management and Decision Makers

**COURSE PROGRAMME:**  
**MASTERING BASEL CAPITAL FRAMEWORK:**  
**COMPONENT OF CAPITAL REQUIREMENTS EXPLAINED**

TOPIC	DURATION
<b>1. Overview of Basel Capital Framework</b> <ul style="list-style-type: none"> <li>Basel Capital Framework covering regulatory minimum capital requirements, buffers above the minimum requirements, and the key elements of capital requirements.</li> </ul>	15 min.
<b>2. Definition of Eligible Capital</b> <ul style="list-style-type: none"> <li>Overview of Common Equity Tier 1 (CET1), Additional Tier 1 (AT1), and Tier 2 capital instruments.</li> </ul>	15 min.
<b>3. Capital Requirements for Credit risk</b> <ul style="list-style-type: none"> <li>Calculation of Risk Exposure Value (including conversion factors for off-balance sheet items), application of external credit assessments with practical examples, and a comparison of the Standardised and Internal Ratings-Based approaches with practical examples.</li> </ul>	25 min.
<b>4. Credit Risk Mitigation Techniques – Eligible Approaches</b> <ul style="list-style-type: none"> <li>Overview of funded and unfunded credit protection.</li> </ul>	15 min.
<b>5. Capital requirements for Counterparty Credit risk (CCR) and Credit Valuation Adjustments (CVA)</b> <ul style="list-style-type: none"> <li>Overview of methods to calculate CCR risk-weighted assets and CVA exposure value.</li> </ul>	15 min.
<b>6. Capital requirements for Operational risk</b> <ul style="list-style-type: none"> <li>Overview of own funds requirements for operational risk, Internal Loss Multiplier – criteria on loss data identification, collection and treatment.</li> </ul>	15 min.
<b>7. Calculation of RWA for Market risk</b> <ul style="list-style-type: none"> <li>Boundary between the banking book and the trading book, Simplified Standardised Approach – overview, Standardised Approach: sensitivity based method – overview, Internal models approach requirements – overview.</li> </ul>	20 min.
<b>TOTAL</b>	<b>3 hours</b>



**Duration:**  
**3 hours (3 CPD Units)**



**Language:**  
**English**



**Delivery mode:**  
**Pre-Recorded**



**Skills level:**  
**Intermediate**

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