

Syllabus outline: Risk and Compliance

NQF Level 8

Prescribed textbook: Valsamakis, AC, Vivian, RW, du Toit, GS, Young J., Risk Management (5th ed.): Pearsons SA
CGISA Course Notes on Compliance

The aim of this module is to develop and extend understanding of the concepts of management of risk and compliance in the context of good governance.

Syllabus topics	Syllabus detailed content	Text
Learning Outcome 1: Based on critical assessment, advise on the use of risk and compliance frameworks as a basis for appraising, evaluating, and supporting risk and compliance management		
An overview of the global risk and compliance environment	<ul style="list-style-type: none"> The development and philosophy of the national and international regulatory environment The mandate, authority and scope of different regulators in various industries: banking and healthcare as examples Law and administration influencing factors 	CGISA Course notes on Compliance
Regulatory frameworks	<ul style="list-style-type: none"> Risk management frameworks and introduction to risk management standards International and local risk management standards and regulatory requirements 	Chapter 4: Corporate governance and enterprise risk management
The concepts and definitions of risk and risk management	<ul style="list-style-type: none"> Definitions of risk Impact of risk on organisations Introduction to types of risk Definitions and development of risk management 	Chapter 1 Concept of risk Chapter 2 Principles of management applied to managing risk Chapter 6 Risk identification
Compliance frameworks, governance structures and international leading practice with regard to compliance governance	<ul style="list-style-type: none"> ISO 19600 International standard for compliance management 	CGISA Course Notes on Compliance
Risk architecture, strategy and protocols	<ul style="list-style-type: none"> Alternative risk management approaches 	Chapter 8: Response: Risk Control
Learning outcome 2: Critically compare and evaluate approaches to risk and compliance management		
Compliance strategies	<ul style="list-style-type: none"> Compliance processes Design, development, implementation and maintenance of an organisational compliance charter Compliance management plans 	CGISA Course Notes on Compliance
Learning Outcome 3: Evaluate and critically assess the management of risk and compliance and provide professionally appropriate advice to those responsible for governance		
Risk identification, assessment, analysis and evaluation and risk reporting	<ul style="list-style-type: none"> Risk management process Risk classification systems (risk identification) Risk causes (sources) and consequences 	Chapter 5 Operational risk management Chapter 6 Risk identification Chapter 7 Risk evaluation

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Syllabus topics	Syllabus detailed content	Text
	<ul style="list-style-type: none"> • Introduction to risk analysis • Risk likelihood and impact • Risk matrices 	
Risk culture, appetite and tolerance	<ul style="list-style-type: none"> • The importance of risk appetite (risk evaluation) 	Chapter 4: Corporate governance and enterprise risk management Chapter 7 Risk evaluation
Compliance management methodologies, tools and techniques	<ul style="list-style-type: none"> • Compliance governance structures for an organisation • The roles and responsibilities of the various compliance stakeholders • Compliance management tools 	CGISA Course Notes on Compliance
Learning Outcome 4: Critically examine and advise on the impact of the business environment on risk and compliance with regard to legislation, policy and industry changes		
Risk responses and risk treatment	<ul style="list-style-type: none"> • Risk treatment and risk response • The 4Ts: Tolerate, Treat, Transfer, Terminate • Risk control techniques (preventive, corrective, directive and detective - PCDD); avoidance, prevention, reduction, segregation: separation, duplication, diversification • Control of selected hazard risks • Monitoring and review • Insurance and risk transfer • Business continuity planning (BCP) 	Chapter 3 Decision-making under conditions of risk and uncertainty Chapter 7 Risk evaluation Chapter 8 Response: Risk control Chapter 12 Insurance
Reports on compliance-related issues	<ul style="list-style-type: none"> • Treatment of compliance risk 	CGISA Course Notes on Compliance
Risk and the environment	<ul style="list-style-type: none"> • Environmental legislation and the impact on compliance risks • The reporting framework for sustainability matters and the implications for compliance officers 	Prescribed reading: <ul style="list-style-type: none"> • CGISA Course Notes on Compliance • World Bank: ESG Disclosure Handbook
Risk and commercial crime	<ul style="list-style-type: none"> • Anti-money laundering legislation/practices • Counter terrorism financing legislation/practices 	CGISA Course Notes on Compliance Treasury: A new approach to combat money laundering and terrorist financing
Learning Outcome 5: Critically evaluate the impact of corporate conduct, behaviours and culture on risk and compliance management practices		
The design and creation of an infrastructure (identification of the necessary elements) to encourage appropriate behaviours	<ul style="list-style-type: none"> • Training and development • Whistle blowing mechanisms 	Chapter 5 Operational risk management CGISA Course Notes on Compliance
Practical and work competence		
<ul style="list-style-type: none"> • Draft a compliance management plan for an organisation • Carry out a risk analysis and draft a report on findings 		

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Prescribed readings:

- Treasury: A new approach to combat money laundering and terrorist financing <https://www.treasury.gov.za/legislation/regulations/FICA/A%20new%20approach%20to%20combat%20money%20laundering%20and%20terrorist%20financing.pdf>
- World Bank: https://docs.wbcsd.org/2019/04/ESG_Disclosure_Handbook.pdf

Additional readings and resources: for downloading or reading/viewing:

- ISO 37301:21, available at <https://www.iso.org/standard/75080.html>
- Integrating governance, risk management and compliance: <https://youtu.be/rwJk9cNnGvU>
- IRBA -Combating Money Laundering and Financing of Terrorism [https://www.irba.co.za/upload/irba-guide-for-ras-combating-money-laundering\(1\).pdf](https://www.irba.co.za/upload/irba-guide-for-ras-combating-money-laundering(1).pdf)

Not for examination

Valsamakis et al. Chapters Chapter 9, 10, 11, 13, 14 and 15