**RISQ-MAR-RIM-MISS**

**Mission statement**

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Validation list

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Distribution list

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# Presentation and main tasks

This document describes the role of the RISQ/MAR/RIM (« Regulatory & Internal Models ») team.

RISQ/MAR/RIM is in charge of:

* Designing the methodologies for the regulatory metrics (market and counterparty risks) and for the economic metrics (counterparty risk).
* Being the RISQ/MAR referent for the regulatory metrics with the regulator, the French ACPR and the Société Générale group.
* Meeting the regulatory requirements for the subjects related to the market and counterparty RWA.
* Insuring the RWA adequacy (market and counterparty risks).

# Activities description

**Designing the methodologies for the regulatory metrics (market and counterparty risks) and for the economic metrics (counterparty risk).**

RISQ/MAR/RIM is in charge of:

* Designing the methodologies for the market risks and counterparty risks regulatory metrics (which are used for regulatory capital calculation) and for the counterparty risk [[1]](#footnote-1)economic metrics (which are used for risk management).
* Leading the methodological thoughts, and requesting the different actors’ expertise (RISQ/MAR, RISQ/CFI, MARK, etc.).
* Insuring the implementation of the methodologies (without weighting), as a sponsor for RISQ/MAR.
* Insuring the methodologies adequacy with both the risk exposure (especially through backtesting), and the market good practices as well as their regulatory conformity.
* Insuring the consistency between economic and regulatory metrics.
* Being a creative force / identifying current methodologies aggregations between market and counterparty with BMC.
* Quantitative support to end-users: RISQ (BMC, CME for MAR as well as CFI and CIB), FIND and MARK analysts.

**Being the RISQ/MAR referent for the regulatory metrics with the regulator, the French ACPR and the Société Générale group.**

RISQ/MAR/RIM is:

* The designated contact point for the market and counterparty regulatory metrics for the Regulator, and the entire Société Générale group.
* The designated contact point for the regulatory metrics for the Société Générale group.
* In charge of sharing the information and spreading the RISQ culture related to the regulatory metrics matters.

**Meeting the regulatory requirements for the subjects related to the market and counterparty RWA**

RISQ/MAR/RIM:

* Performs the regulatory intelligence / market intelligence, and takes part in the group lobbying and networking with our peers.
* Is the designated contact point for the consultations and regulatory matters related to the market or counterparty RWA.
* Jointly insures the internal models governance with RISQ/STR (GOV and MOD).
* Writes the documentation for the covered regulatory and economic methodologies.

**Insuring the RWA adequacy (market and counterparty risks).**

RISQ/MAR/RIM:

* As part of his business support role, the RIM team is responsible of improving the Société Générale group internal model, especially for the NPC and complex transactions.
* Contributes to managing the capital requirements in light of the market and counterparty risks, in accordance with the business and the Société Générale group priorities (CORISQ).
* Optimizes the modeling choices.
* Is the RISQ/MAR referent for DEVL and for the SCR teams (GBIS, MARK, and GLFI) for the capital trajectory.

1. The methodology for the counterparty risk economic metrics is the responsibility of RISQ/MAR/RIM (i.e. CaR, CVaR, RPM,…) while the methodology for the cross market/counterparty risks economic metrics is the responsibility of RISQ/MAR/BMC (Wrong Way Risk, Dislocation Risk…) [↑](#footnote-ref-1)