



BOTSWANA NATIONAL SPORT COMMISSION COMPLIANCE & RISK MANAGEMENT FRAMEWORK

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ACRONYMS
AML/CFTP Anti-Money Laundering and countering the financing of
Terrorism and the financing of proliferation of Arms of war, Nuclear, Chemical and
Biological weapons

BNSC Botswana National Sports Commission

FIA Financial Intelligence Agency

NSA National Sports Association

STR Suspicious Transaction Report

DEFINITION/GLOSSARY OF TERMS

Control Risk

The chance of a material misstatement in a company's financial statements because there aren't any relevant internal controls to mitigate a particular risk or the internal controls in place malfunctioned.

Corporate Governance

The system of rules, practices and processes by which a company is directed and controlled.

Inherent Risk

The level of risk that stems from the nature of a business transaction or operation before the implementation of internal controls to mitigate the risk.

Internal Control

A process, effected by an entity's board of directors, management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives related to operations, reporting, and compliance.

Operational Risk

This is the risk of loss resulting from ineffective or failed internal processes, people, systems, or external events that can disrupt the flow of business operations.

Residual Risk

Residual risk is the risk that remains after controls have been implemented to manage a risk and reduce the inherent level of the risk. Residual risk is thus the risk "left over" after security controls and process improvements have been applied.

Risk

Risk is the effect of uncertainty on objectives. It is any event, decision or circumstance that can lead to a deviation in expected outcomes.

Risk Appetite

The level of risk that an organization is willing to accept in pursuit of its objectives, and before any action is determined to be necessary in order to reduce the risk.

Risk Assessment

A systematic process that involves identifying, analysing and evaluating an organisation's risks in order to determine the actions necessary to control them or respond to those risks.

Risk Management

A systematic application of management policies, procedures and practices to the tasks of communication, consultation, establishing the context, identifying, analysing, evaluating, treating, monitoring and reviewing risk.

Risk Plan

a written document that details the organization's risk management strategy, processes and procedures.

Risk Register

A repository for all risks identified and includes additional information about each risk, e.g., nature of the risk, reference and owner, mitigation measures.

Risk Tolerance

Sets the acceptable minimum and maximum variation levels for a company, business unit, individual initiative, or specific risk category.

Strategic Risk

Refers to the internal and external events that may make it difficult, or even impossible, for an organisation to achieve their objectives and strategic goals, and are significant enough to require the attention of those charged with Governance.

1.0 COMPLIANCE & RISK MANAGEMENT PROCESS OVERVIEW

1.1 Background

1.1.1 The Botswana National Sport Commission (BNSC) was established by the BNSC Act 2014 as the supreme custodian of sports in Botswana.

1.1.2 BNSC is a member of the African Union Sport Council (AUSC) in the Region 5. The Commission is linked to the International Olympic Committee (IOC) through the Botswana National Olympic Committee (BNOOC).

1.1.3 The Botswana National Sports Commission Act 2014 includes the following functions amongst those to be discharged by BNSC:

- To assist the sport associations, ensure that their policies and procedures meet the required standards
- To ensure compliance with set ethics, standards, conventions and protocols

1.1.4 National Sport Associations (NSAs) have a role to play in preserving the integrity of their sport and must therefore never undermine public trust in the management of their sport. As NSAs, they must comply with the Code of Ethics and laws of Botswana.

1.1.5 In order to effectively discharge the mandate enshrined in the Act BNSC needs to ensure that a comprehensive compliance management framework is developed and implemented by the Commission and all NSAs.

1.1.6 A compliance framework is a structured set of guidelines to aggregate and harmonize, then integrate, all compliance requirements applicable to an organization.

1.2 Overall framework objective and scope

1.2.1 The overall objective of this framework is to develop a compliance and risk management system for BNSC its NSAs and stakeholders that will take into account the existing legal and regulatory requirements and other monitoring instruments.

1.2.2 The system proposed has been harmonised in terms of data collection, analysis and reporting processes in order to avoid duplication of efforts and to allow for the most effective decision-making.

1.2.3 This Compliance and risk management Framework applies to:

1.2.3.1 every employee, officer and director of BNSC, and

1.2.3.2 every contractor of BNSC when performing activities on behalf of BNSC.

1.2.3.3 Every National Sport Association affiliated with BNSC

1.3 Compliance and Enterprise Risk Management (ERM) approach overview

1.3.1 The approach adopted by BNSC is to view compliance risks from a broader Enterprise Risk Management perspective, ensuring that all compliance risks are effectively identified, assessed and managed to yield optimal outcomes for stakeholders.

1.4 Compliance and ERM Implementation Objectives

1.4.1 This Compliance and Risk Management Framework outlines the mechanisms and responsibilities to be implemented in order to achieve the following objectives:

1.4.1.1 Establish an effective Compliance Management System to minimise BNSC's regulatory risk

1.4.1.2 Identify, document and allocate compliance obligations to BNSC functions.

1.4.1.3 Support the establishment and maintenance of a proactive culture of compliance through compliance planning, monitoring and reporting

1.4.1.4 Establish a reporting framework by which the Executive and Board can be informed of BNSC's compliance status

1.5 Related Laws, regulations and policies

1.5.1 This framework will provide guidance on how to comply with policies and procedures including but not limited to the following:

1.5.1.1 The BNSC Act 2014

1.5.1.2 All laws and regulations applicable in Botswana

1.5.1.3 Corporate Governance Codes and best practice

1.5.1.4 NSA Constitutions approved by the Registrar

1.5.1.5 Internal and external Service Level Agreements (SLAs)

1.5.1.6 The BNSC Governance, Risk and Compliance policies

1.5.1.7 The Audit mandates as agreed per the BNSC Internal Audit Charter

1.6 Compliance and ERM Implementation Process

1.6.1 BNSC has taken guidance from AS/ISO 19600:2015 – Compliance Management Systems – Guidelines in designing this Compliance Framework.

2.0 ESTABLISHING THE CONTEXT AND CRITERIA PROCEDURES

2.1 BNSC recognizes that there is an increasing volatility, uncertainty, complexity and ambiguity of the world that makes it no longer acceptable for it to find itself in a position whereby unexpected events cause financial loss, disruption to normal operations, damage to reputation and loss of market presence. There are an increasing number of risks faced by BNSC, some emanating from internal processes while others relate to rapid and/or unexpected changes in its external environment, particularly with regulators, stakeholders, members and competitors.

2.2 Roles and Responsibilities

2.2.1 The Board

- 2.2.1.1 Provides oversight and governance of compliance and risk management, including the related control environment
- 2.2.1.2 Provides direction in determining risk approach and risk appetite
- 2.2.1.3 Establishes a process to manage compliance and enterprise risks within acceptable levels
- 2.2.1.4 Monitors compliance of its structures, NSAs and stakeholders and implement measures to promote compliance

2.2.2 Executive Management

- 2.2.2.1 Builds a culture of compliance within the Commission and the whole sport sector
- 2.2.2.2 Implements the risk management strategy and monitors compliance within the sport sector
- 2.2.2.3 Reviews and challenges compliance and risk information and escalates issues requiring the attention of the Board.

2.2.3 The Audit and Risk committee

- 2.2.3.1 Assesses and evaluates the effectiveness of controls in place for management of compliance and key risks for the whole sector
- 2.2.3.2 Ensures periodic assessment of both strategic and operational risks

2.2.3.3 Ensures adequate processes and methodologies are in place to identify risks and ensures effective communication between directors, management, internal and external auditors

2.2.3.4 Oversees the procedure for monitoring compliance within existing laws, regulations and Code of conduct

2.2.4 Internal Audit

2.2.4.1 Provide updates and reports to the Board regarding the status of risk and compliance to existing processes and procedures by the Commission, stakeholders and NSAs.

2.2.4.2 Evaluate the annual review of internal risk and compliance controls on behalf of the Board and recommends remedial action for identified weaknesses and lapses.

2.2.4.3 Audit the compliance and risk processes across the sector

2.2.5 Chief Risk Officer

2.2.5.1 EXCO level person mandated with direct responsibility for Compliance and Risk management.

2.2.5.2 Create and maintain the Compliance and Risk Management and associated policies and procedures

2.2.5.3 Implement the overall processes under the Compliance and Risk Management Policy and ensure that risk responses and business continuity protocols are in place

2.2.5.4 Establish metrics to measure compliance of NSAs and the whole sector

2.2.5.5 Carry out periodic reviews of compliance and risk management process

3.0 RISK IDENTIFICATION PROCEDURES

3.0.1 Risks are an integral component of every entity, BNSC inclusive, and as such they need to be critically identified and prudently management in order to ensure the attainment of corporate objectives. Risk identification refers to a structured process that involves the application of suitable robust approaches and techniques that seek to optimize the involvement of an entity's stakeholders to ensure that no risk is omitted in the management process. Risk identification is a preliminary for risk assessment.

3.1 Risk assessment Approach

3.1.1 The BNSC compliance and risk assessment approach would involve a number of steps:

3.1.1.1 Risk champions appointed in each department facilitate the identification and assessment of risks at their departmental level

3.1.1.2 The Committee of risk champions made up of each department's risk champion, meet quarterly to discuss and consolidate the departmental self-assessments in a process facilitated by the Chief Risk Officer

3.1.1.3 The risk report is developed by the Committee and submitted to EXCO for approval

3.1.1.4 EXCO presents the risk report to the Board for approval of recommendations

3.1.1.5 Each NSA should appoint a risk champion responsible for identifying and assessing its risks and reporting to the BNSC Risk Committee

3.1.1.6 BNSC Risk Committee responsible for consolidating risks for the sector (received from NSAs) and reporting to the Board.

3.2 Risk Identification Techniques

3.2.1 Given the culture of staff involvement in the activities of the Commission, workshops and brainstorming technique is the most suitable for risk identification. In order to optimise their value, it's essential that each workshop contains individual members from a given unit and relatively at the same level to avoid dominance of particular members in the workshops. This will be occasionally complemented by the inspections

and audits technique to check for compliance and other related operational risks. The aim of choosing an ideal technique is to help identify a majority position in relation to the likelihood and impact of a risk materialising. These techniques will help the Commission identify all risk that have occurred in it, those that have not occurred in the Commission but have occurred in other related organizations, near miss-events, and the new risks that may be faced, given the dynamic context of the Commission.

3.3 BNSC risk identification protocol

3.3.1 Departmental workshop facilitated by risk champions to complete the following:

3.3.1.1 Identify all departmental objectives

3.3.1.2 Determine the core processes that are aimed at delivery of each objective

3.3.1.3 Identify the key dependencies of each core process

3.3.1.4 Document risks: anything that can impact the effectiveness of the core process in delivering objective. PESTEL analysis and resource audit should be performed on each objective to ensure risk identification process is complete (See appendix 1).

3.3.1.5 Proceed to departmental risk assessments

3.3.2 Risk Champions Committee workshop to consolidate and prioritise departmental risk assessments

3.3.2.1 Risk Champions Committee escalates consolidated risk assessment to corporate level by identifying risks which have a pervasive impact and effect on strategic objectives.

4.0 RISK ANALYSIS PROCEDURES

4.1 Risk Analysis

4.1.1 ISO 31000 risk management defines risk analysis as a process to understand a risk and determine the level of the risk so as to provide a basis for its evaluation and treatment.

4.1.2 Risk assessment is only useful if the conclusions of the assessment are used to inform decisions and/or identify the appropriate risk responses for the type of risk under consideration, which is why the analysis is so crucial to the process.

4.1.3 A risk would be considered significant if its inherent level would be above the risk appetite/tolerance level for that risk type.

4.2 Analysis and the Risk Matrix

4.3 Likelihood rating criteria for risk analysis

- 4.3.1 Likelihood represents the possibility that a given event will occur. It can be expressed using qualitative terms (frequent, likely, possible, unlikely, rare), as a percentage, probability, or as a frequency.
- 4.3.2 ISO 31000:9000 cautions that when using numerical values, whether a percentage or frequency, the relevant time period should be specified such as annual frequency or the more relative probability over the life of the project or asset.
- 4.3.3 BNSC has adopted a likelihood rating scale that is quantitative, with numerical values representing the rating, subject to a reasonable five-year period, for explicitness.
- 4.3.4 Ideally, to determine a likelihood rating for a risk, the first step is to determine its history of occurrence within the organisation. That is why likelihood scales usually have historical references to them.
- 4.3.5 In addition to experience with the event's occurrence, any other conditions that may affect the event's likelihood should be considered.
- 4.3.6 Where BNSC does not have a history with the risk, it can benchmark with other organisations which have dealt with the risk before to determine a likelihood
- 4.3.7 The table in Appendix III provides details of a suitable likelihood rating criteria developed for BNSC, given its risk context.

4.4 Impact rating criteria for risk analysis

- 4.4.1 Impact (or consequence) refers to the extent to which a risk event might affect the enterprise if it materializes.
- 4.4.2 Impact analysis criteria needs to be comprehensive enough, especially in a service organization like BNSC with a wider stakeholder base.
- 4.4.3 Before an impact rating can be performed, the different risks facing BNSC should be classified according to the different possible impacts they could have on the Commission.

- 4.4.4 A possible impact classification would include the following: Financial, Infrastructure, Reputational, Regulatory, Employee Health and Safety etc.
- 4.4.5 A different scale then needs to be developed for each kind of impact.
- 4.4.6 The table in Appendix III provides details of a suitable impact rating criteria developed for the Commission, given its risk context.

5.0 RISKS EVALUATION MEASURES

5.0.1 Risk evaluation involves determination of the relative importance of each identified risk after the analysis process. It does involve ranking risks against the established criteria and comparing the severity of each risk with its corresponding appetite level to determine significant risks that require managerial attention. Ideally, risk evaluation helps to support managerial decisions by comparing the results of the risk analysis with the established risk criteria to determine the significance of risks.

5.1 Recommended Risk Evaluation Procedures

- 5.1.1 All significant identified and analysed risks will be ranked in accordance with their individual inherent risk levels, relative to their individual risk appetites, in light of the overall risk appetite of BNSC. After due considerations, all minor risks will be eliminated so as to leave management focus on only dealing with significant risks
- 5.1.2 The individual risk appetite will serve as the benchmark test of significance from which BNSC Management will determine the priority of the significant risks. Ideally, only low, to moderate levels of risks will be accepted at their inherent levels, given BNSC's current risk attitude.
- 5.1.3 That means that any of the above risks whose inherent level is established to be above the appetite/benchmark test of significance, will need to be treated in order to provide assurance upon attainment of the Commission's corporate objectives.

6.0 RISK TREATMENT MEASURES FOR BNSC

6.1 Recommended Risk Treatment Procedures

- 6.1.1 Ideally, risk treatment refers to what needs to be done with respect to all identified risks. This may involve: Altering the base plans for the organisation, adopting an alternative strategy, avoiding the risk depending on the nature and severity of a given risk. It is therefore recommended that the risk champions committee carefully categorise all the identified risks under the three broad categories: hazard risks, control risks, and opportunity risks.
- 6.1.2 Thereafter, consider the dominant risk response measures under each category (4Ts, 4As, and 4Es) as above, bearing in mind the consequences of each on BNSC's key dependencies, projects and strategy.
- 6.1.3 Having decided on a given risk response, then the committee will be able to advise the relevant risk owners to decide on the most suitable risk control measure for treating that particular significant risk to its target level.

7.0 RECORDING AND REPORTING

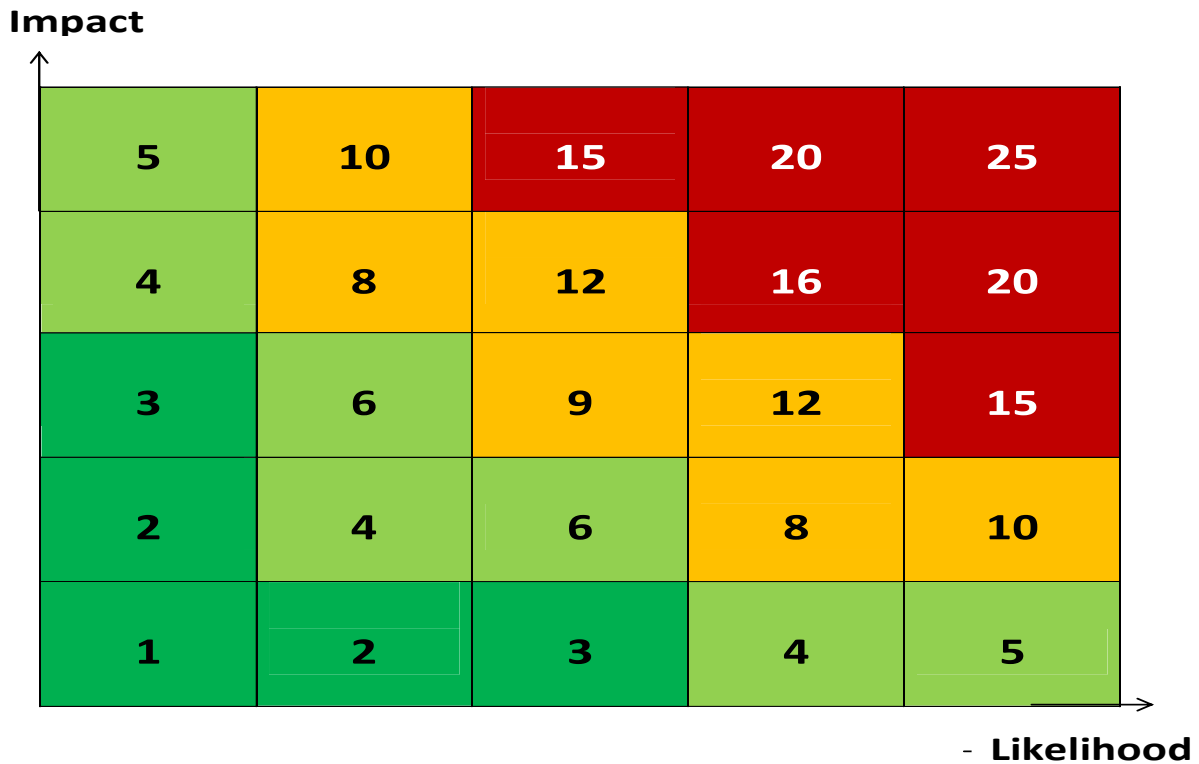
7.1 Risk Recording and Reporting Overview

- 7.1.1 All risks identified are initially recorded in an issues log, from where they are analysed, evaluated and reported accordingly.
- 7.1.2 Risk reporting relates to established plans, action plans, incident reports and performance reports generated at different time intervals.

7.2 Risk Recording

- 7.2.1 The risk matrix measures the gross level of risks before any action is taken to modify either their likelihood or impact by use of cost effective controls. After a reasonable time, interval of controls implementation, risks are again assessed at their residual levels to determine the effectiveness of the controls, and subsequently populated on a risk matrix at their residual levels. The risk matrix can also be used to identify the type of risk response that is most likely to be adopted for each category of risks. A risk matrix sample below give details.

Risk Matrix



Source: https://www.researchgate.net/figure/A-standard-risk-matrix_fig7_323570642

7.3 Recommended Risk Recording and Reporting Measures

- 7.3.1 ERM requires adequate risk management documentation in order to cultivate a consistent risk response amongst all relevant BNSC stakeholders. Adequate documentation also goes a long way in helping management to cultivate a risk aware culture and embedding ERM practices into all processes of BNSC.
- 7.3.2 The Commission needs to record all events identified, including but not limited to: all risks that have occurred in BNSC in the past five years; those that have not occurred in BNSC but have occurred in comparable institutions; near miss events; and new risks in the risk log. Then after analysis and evaluation, significant and priority risks can then be recorded in formats such as bow ties and risk register.
- 7.3.3 On risk reporting, good practice encourages that BNSC generates a variety of risk reports including risk established plans, risk action plans, incident reports and performance reports, and special reports on key risks.

8.0 RISK COMMUNICATION AND CONSULTATION PROCEDURES

8.1 Communication and Consultation Overview

- 8.1.1 Successful RM involves high levels of creativity and involvement by all key stakeholders. Thus at all stages of the project, all those concerned must be consulted and their opinions considered.
- 8.1.2 All stakeholders shall also be kept updated with all risk management developments in the organization and as such effective communication among those involved is essential.

8.2 Importance of risk communication and consultation

- 8.2.1 Effective risk communication and consultation enhances a risk aware culture, characterised by open communication, learning, involvement, accountability and a shared commitment to ERM.
- 8.2.2 Employees equipped with an understanding of risk within the context of the Commission are empowered to make operational decisions and deal with daily business challenges whilst adhering to the values and appetite of the organisation

8.3 Recommended risk communication and consultation Procedures

- 8.3.1 Given the significance of risk communication and consultations across the entire ERM process, it is critical that the Commission adopts risk training and communication protocols that will facilitate effective exchange of risk information across all stakeholders. This ensures that all stakeholders are kept informed about all relevant material information, to facilitate decision making on subsequent processes, whilst maintaining high levels of motivation and enthusiasm amongst participants.
- 8.3.2 The risk information communication and consultation protocols include:
 - 8.3.2.1 Explicit definition of duties and responsibilities for each and every stakeholder
 - 8.3.2.2 Provision of double loop reporting and feedback systems to encourage continuous flow of risk information across the entire ERM process
 - 8.3.2.3 Conduct monthly risk training and awareness campaigns to keep all members in the system updated on all material issues on the risk profile of the Commission.
- 8.3.3 Encourage continuous consultations and escalations of information with relevant stakeholders on matters of suitable risk responses and specific control activities
- 8.3.4 Regular application of risk aware culture assessment tools.

9.0 MONITORING AND REVIEW PROCEDURES

9.1 Monitoring and Review Overview

9.1.1 Monitoring and review of the scope, context and criteria, and the outputs and methodologies of risk assessment, risk treatment, risk recording and reporting, of the ERM process need to be kept iterative and dynamic as reflected in the figure below.

9.2 Recommended Monitoring and Review Measures

9.2.1 It is recommended that BNSC monitors and review its ERM process at 2 levels as here above alluded, on an annual basis, given the level of uncertainty in the environment in which BNSC operates.

9.2.2 The first level will involve monitoring and reviewing the outputs and methodologies of risk assessment, risk treatment, and risk recording and reporting of the entire enterprise risk management process that must be kept under review over time.

9.2.3 The second level of monitoring and review process of the enterprise risk management by the Commission will entail observing the changing environment of the organization that may make original risk assessments and responses out of date, since risks cannot be managed out of context.

10.0 REVIEW

The policy shall be reviewed every three years or earlier should the need arise and such need shall be determined by the Board in collaboration with its stakeholders.

Appendix I BNSC Act 2014 Compliance Checklist

	Yes/ No	Inspector	Date
1. Governance			
a. the Association is a sport association registered in accordance with the Societies Act and the Act, and affiliated to the BNSC and BNOC as well as any relevant international body			
b. The structures of the Association include A General Meeting, which is the supreme and legislative body of the Association.			
c. The structures of the Association include an Executive Committee, which is the executive body of the Association.			

d. The structures of the Association include Standing and ad hoc committees, which shall advise and assist the Executive Committee in fulfilling its duties.			
e. The structures of the Association include a Secretariat, which is the administrative body of the Association.			
f. The structures of the Association include judicial bodies which are the National Disciplinary Committee and the National Appeal Board (“the NDC”).			
g. Regulations governing the status of Athletes and the provisions for their transfer from one member to another have been developed and implemented			
h. Admission, suspension and expulsion regulations have been developed and implemented, which provide for a General Meeting to be required to make such decisions			
i. Dispute settlement mechanism for the sport have been developed and implemented to resolve any internal dispute that may arise between members, clubs, officials and Athletes affiliated to members of the Association.			
j. A policy has been developed and implemented to raise funds by means of subscriptions, donations and from the carrying on of any business, trade or undertaking consistent with or ancillary to its objects			
k. A policy has been developed and implemented for the acquisition and development of facilities at which the Sport will be performed			
l. Human resource policies have been developed and implemented			
m. Procurement and asset management policies have been developed and implemented			
n. Finance management policies have been developed and implemented, and the Association complies with them			
o. Record keeping policies have been developed and implemented			
p. Policy for the conferment of honours and awards on individuals, in recognition of their contribution to the Sport in Botswana have been developed and implemented			
q. Framework to appoint auditors to audit annual accounts of the Association have been developed and implemented			
r. Regulations prohibiting discrimination of any kind against a country, private person or group of people on account of disability, ethnic origin, gender, language, religion, politics or any other reason have been developed and implemented			
s. The Association has developed and implemented a policy to promote friendly relations between its members, clubs, officials and sports men and women, and in society for humanitarian objectives			
2. Membership			

a. All membership applications are submitted in writing and include the following:			
- a copy of aspiring member's legally valid statutes or constitution;			
- a declaration that it will always comply with the Constitution, regulations, standing orders, codes and decisions of the Association, relevant international bodies and the BNSC, and shall ensure that these are also respected by its own members, clubs, officials and Athletes			
- a declaration that it recognizes the judicial bodies of the Association, the BNSC and the Court of Arbitration for Sport (CAS) in Lausanne, as specified in this Constitution			
- a declaration that it is located and registered in Botswana			
- a list of officials			
- a copy of the minutes of its last General Meeting or constitutional meeting			
b. Requesting a General Meeting to decide whether to admit an applicant is at the sole discretion of the NEC			
c. A new member acquires membership rights and duties as soon as it has been admitted. Its delegates are eligible to vote and be elected with immediate effect			
d. Members rights are clearly specified and communicated to them and comply with the Constitution and BNSC Act.			
e. Members obligations are clearly communicated to them and comply with the Constitution, the BNSC Act and all applicable regulations			
f. The suspension of a member by the NEC is only valid till the next General Meeting, at which a formal decision would have to be made on the matter by a simple majority of votes			
g. Motion for expulsion of members requires adoption by a two-third majority of the valid votes cast			
h. Honorary Presidents and Member are not entitled to vote in General Meetings			
NEC Members shall not serve on the executive body of any member or be members of NECs of other sporting codes			
3. General Meetings			
a. Composition for the General Meetings provide for the following to attend and all meetings have complied:			
- two (2) representatives from each member, provided that there shall be one vote per member;			
- All members of the NEC, who shall not be entitled to vote;			

- Honorary members, who shall not be entitled to vote;			
b. Minutes of previous General Meeting(s) are approved by the General Meeting			
c. Membership subscriptions are fixed by the General Meeting			
d. All powers of the General Meeting, the NEC and the Secretariat are clearly delineated in the NSA's regulations			
e. Quorum of all General Meetings is 50% plus 1 delegates from the members who are in good standing and who are entitled to vote			
f. In the event of a quorum not being present sixty (60) minutes after a proposed time of commencement of a General Meeting, the General Meeting is postponed the same day until two (2) weeks later, and at such postponed date whoever shall be present shall then constitute a quorum and a General Meeting will proceed			
g. Any General Meeting where the agenda proposes the amendment of the Constitution or the dissolution of the Association is quorate, otherwise it cannot proceed			
h. The election of office bearers is by secret ballot			
i. Only persons nominated by a member in good standing are eligible for election			
j. Nomination forms are distributed by the Secretary General by email or by hand to members Sixty days prior to an elective General Meeting			
k. Original nomination forms are received either by email or by hand duly acknowledged by the Secretary General at least thirty (30) days prior to the date of an elective General Meeting			
l. Nominees submit to the Electoral Committee a signed acceptance of the nomination on the form provided for this purpose, or in a copy or facsimile thereof, and this signed acceptance has been received by the auditor at least thirty (30) days prior to the date of the elective General Meeting			
m. The Secretary General sends the list of nominations to the Electoral Committee and to all members along with the agenda for the elective General Meeting within fourteen (14) days of receipt of nominations			
n. Elections are conducted in compliance with the provisions of the Electoral Code			
o. An Ordinary General Meeting is held at least once a year			
p. Members are notified in writing at least 90 calendar days in advance of the Ordinary General Meeting.			
q. The formal convocation is made in writing at least thirty (30) calendar days before the date of the General Meeting. This convocation includes the agenda, the NEC's activity report, the financial statements and the auditors' report, the minutes of the last General Meeting and any other relevant documents			

r. All proposals from members for a General Meeting are sent to the Chief Executive Officer in writing, with a brief explanation, by close of business at least thirty (30) days before the date of General Meeting			
s. The Ordinary General Meeting is conducted in compliance with all requirements of the Association's constitution			
t. One third of the members of the Association make a request in writing before an Extraordinary General Meeting is convened, and it is held within three months of the request			
u. The agenda for any Extraordinary General Meetings were not altered			
v. Approved minutes of all General Meetings are maintained by the Secretary General			
3. National Executive Committee			
The NEC is duly constituted as per the approved constitution and BNSC regulations			
The NEC holds office for a period of four years and is eligible for re-election only once for a maximum total of 8 years in office			
The NEC meets at least once a quarter			
All items to be included in the agenda for NEC are submitted to the Secretary General at least ten days before the meeting			
The NEC performs its duties as prescribed in the Association's constitution and within the bounds prescribed in the BNSC Act			
All office holders perform their duties in compliance with the approved constitution and the BNSC Act			
The Association presents audited financial statements to the AGM			
Members of the judicial bodies do not belong to any other structure of the Association at the same time			
Subject to the BNSC Act, the Association, its members, Athletes and officials do not take any dispute to ordinary courts but follow the dispute resolution processes in its constitution			
Additional comments:			

Appendix II : AML/CFTP Compliance Checklist

	Yes/ No	Inspector	Date
1. Governance			
a. Three Lines of Defense as a model			
b. Anti-Money Laundering Officer (AMLO) appointed			
c. Access of AMLO to the CEO of the Business Unit			
d. Independence of Compliance from Business (1st Line of Defense)			
e. Role & responsibilities of the Business (1st Line of Defense)			
f. Role & responsibilities of Compliance (2nd Line of Defense)			
2. Training & Awareness			
a. General training for all employees			
b. Tailored training for employees with specific AML/CFTP exposure			
c. Supervision & record keeping of training attendance			
d. Test included in the training			
e. Record keeping of test results			
3. Risk Assessment & Risk Categorization			
a. Assessment of inherent AML/CFTP risks of the Business Unit (risks posed by customer types, products and services, distribution channels, geographies etc.)			
b. Risk categorization of customer relationships (based on inherent risk factors)			
c. Risk categorization of transactions (based on inherent risk factors)			
d. Documentation of risk assessment and reasoning for risk categorization			
4. Due Diligence			
a. Identification and verification of the identity of the customer			
b. Verification of the beneficial owner or beneficiary			
c. Prominent Influential Persons (PIP): name checks, risk categorization, PIP list			
d. Application of risk factors on customer relationships			
e. Enhanced due diligence for customer relationships / transactions with increased risk			
f. Local Management approval for customer relationships involving certain categories of increased risk (e.g. PIPs)			

g. Ongoing due diligence on customer relationships			
h. Documentation of KYC			
i. Documentation of enhanced due diligence			
j. Documentation of ongoing due diligence			
k. Due diligence / controls regarding intermediaries			
l. Restricted fund transfers according to existing AML/CFTP Policy			
m. Customer transaction monitoring			
n. Enhanced investigations for risky transactions with increased			
5. Controls			
a. Controls framework (policies & procedures)			
b. AML/CFTP controls executed by the Business (1st line of defense)			
c. AML/CFTP controls executed by Compliance (2nd line of defense)			
6. Escalation & Reporting			
a. Regular reporting for Compliance oversight			
b. Regular Reporting to local and global Business Management			
c. Escalation process in case employees get aware of suspicious activities			
d. Reporting of Suspicious transactions to Financial Intelligence Agency			
e. Documentation of escalation/reporting of Suspicious Transactions			
7. Documentation & Record Retention			
a. Documentation			
b. Record retention			
8. Supervision			
a. Self-assessment of the Compliance framework			
b. Documentation of the self-assessment			
Additional comments:			

APPENDIX III RISK RATING MATRIX

RISK RATING MATRIX		CONSEQUENCE (Where an event has more than one 'Consequence Type', choose the 'Consequence Type' with the highest rating)				
Consequence Type		1 – Insignificant	2 – Minor	3 - Moderate	4 - High	5 - Major
Financial		Financial loss of less than P50 000 (0.25% of total revenues)	Financial loss of P50 000 to P100 000) (0.26%– 0.5% of total	Financial loss of P100 000 to P250 000 (0.5% - 1.25% of total revenue)	Financial loss of P250 000 to P500 000 (1.25% - 2.5% of total revenue)	Financial loss of over P500 000 (2.5% of total revenue)
Health and Safety		Insignificant health and safety issues	Minor injuries to employees or third parties, such as customers or vendors	Out-patient medical treatment required for employees or third parties, such as customers or vendors	Extended hospital stay/patient care required for employees or third parties, such as customers or vendors	Serious injuries or fatalities to employees or third parties, such as customers or vendors
Legal & Regulatory		Non-compliance without regulatory action. No warning received; no regulatory reporting required; No lawsuits; Grievances/conflicts managed at institutional level	Breach of regulatory requirements; report/involvement of authority. Attracts administrative fine/sanction; lawsuit threats	Minor breach of law; report/investigation by authority. Attracts compensation/ penalties/ enforcement action	Breach of the law; may attract criminal prosecution, penalties/ enforcement action.	Significant breach of the law. Individual or Commission law suits; incarceration/dismissal of leadership
Infrastructure		ICT systems failure that results in less than 1 hour downtime	Minor ICT systems failure that results in more than 1 hour but less than 3hours downtime.	Moderate ICT systems failure that results in more than 5 hours but less than 8 hours downtime and no data loss.	Significant ICT systems failure that results in more than 8 hours downtime and data loss that requires recovery from onsite backup	Major ICT systems failure that results in more than 8 hours downtime and data loss that requires reconstruction of systems and recovery of data from offsite
		Isolated staff dissatisfaction; One day service disruption	General staff morale problems; Two days to one week service disruption	Widespread staff morale problems and high turnover; One to two weeks service disruption	Some senior managers leave, high turnover of experienced staff, industrial action; Two weeks to one month service	Multiple senior leaders leave; More than one month's service disruption
Reputation		Minor impact; awareness/ concern from specific individuals	Limited impact; concern/ complaints from certain groups/ organizations	Local impact; public concern/ adverse publicity localised within neighbouring communities	Suspected reputational damage; local/ regional public concern and reactions	Noticeable reputational damage; national/ international public attention and repercussions
Consequence Type		1 – Insignificant	2 – Minor	3 - Moderate	4 - High	5 - Major
LIKELIHOOD		Risk Rating				
5 - Almost Every year	The unwanted event has occurred frequently; Has occurred in every one of the past 5 years; current events	5 (Low)	10 (Medium)	15 (Significant)	20 (High)	25 (High)
4 - Likely 4 out of 5 years	The unwanted event has occurred in 4 of the past 5 years; current events indicate that it is likely	4 (Low)	8 (Medium)	12 (Significant)	16 (High)	20 (High)
3 - Occasional 3 out of 5 years	The unwanted event has happened at some time; has occurred in 3 of the past 5	3 (Low)	6 (Medium)	9 (Medium)	12 (Significant)	15 (Significant)

2 - Unlikely 2 out of 5	The unwanted event has happened at some time; has occurred twice in the past 5 years; current events indicate it is unlikely	2 (Low)	4 (Low)	6 (Medium)	8 (Significant)	10 (Significant)
1 - Rare 1 out of 5 years or less	The unwanted event has never been known to occur; or has occurred 1 time or less in the past 5 years; nothing currently indicates it might happen	1 (Low)	2 (Low)	3 (Medium)	4 (Medium)	5 (Significant)
Risk	Risk Level	Guidelines for Risk Matrix				
16 to 25	High	A high risk exists that management's objectives may not be achieved. Appropriate mitigation strategy to be devised immediately.				
12 to 15	Significant	A significant risk exists that management's objectives may not be achieved. Appropriate mitigation strategy to be devised as soon as possible.				
6 to 10	Medium	A moderate risk exists that management's objectives may not be achieved. Appropriate mitigation strategy to be devised as part of the normal management process.				
1 to 5	Low	A low risk exists that management's objectives may not be achieved. Monitor risk, no further mitigation required.				