Enterprise Risk Management (ERM)

Quarterly operational briefing

July 2014

wfp.org

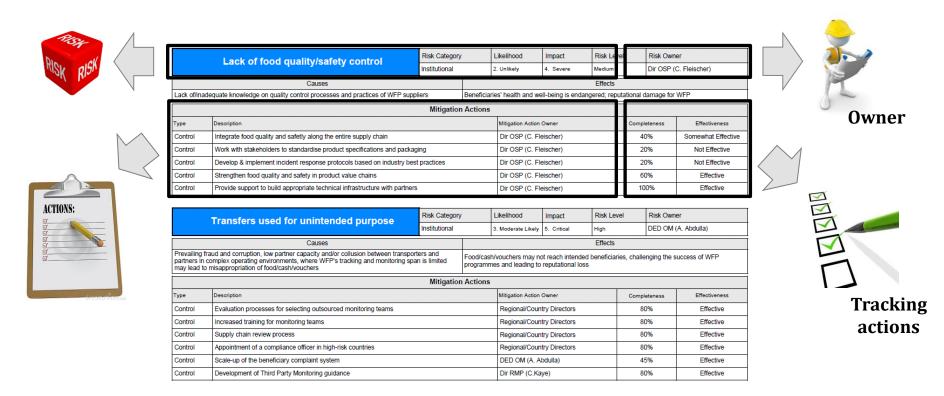


Today's briefing

- Corporate Risk Register and status of corporate risks
- Discussion on residual risks
- Way forward on ERM implementation in WFP

Corporate Risk Register

- Reflects recurrent operational concerns and items requiring action at all levels of the organization;
- Mitigation actions identified and implementation tracked;
- Reviewed by Senior Management on quarterly basis.

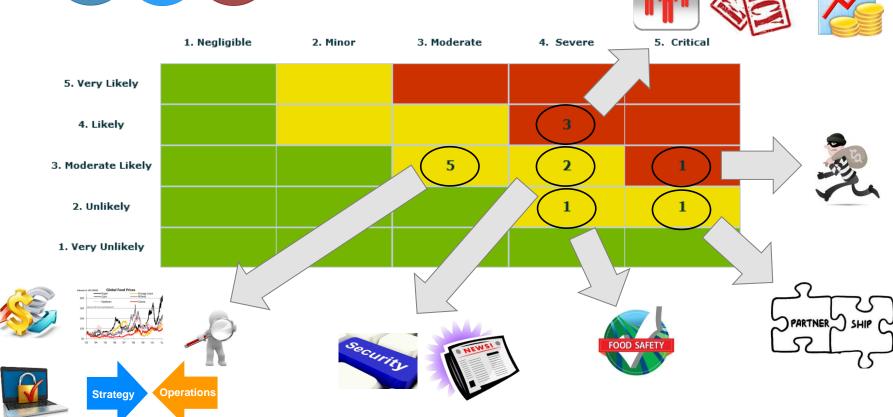


Status of corporate risks: Where are we today?

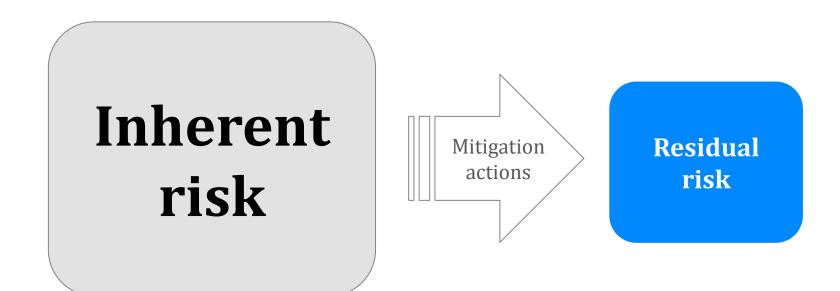
13 corporate risks



- 4 contextual risks
- 3 programmatic risks
- 6 institutional risks



Reducing risks: Importance of mitigation actions



Understanding residual risks



Example: Lack of partner capacity Residual Risk High **Medium** risk Low risk risk Inherent Γoda CRUCIAL WFP Partnership Strategy Mitigation actions Continuous assessment of residual risks Cooperating Partners Innovation Fund Understanding to which extent mitigation actions reduce the risk; Annual Partnership Consultation Comparing the level of residual risk with our risk appetite Capabilities Partnership Programme Timely escalation and riskinformed decision-making at Etc.. executive management level.

ERM in WFP: Way forward

Risk Tolerance





- ✓ Identifying a quantitative risk threshold in areas mentioned in WFP's Risk Appetite statement;
- ✓ Tool drafted to guide Country Offices in this exercise to be tested later in the year;



Update of Enterprise Risk Management Policy (2005)

 Draft and present a revised policy document to EB in 2015, capturing all the recent ERM developments;





- Support to field offices in risk assessment and monitoring;
- Maintenance of Corporate Risk Register;
- Production of reports for risk-informed senior management decision-making.

Thank you



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