Enterprise Risk Management Policy
EB.A 2015 (25 – 29 May 2015)

Annual Session of the Executive Board

25-28 May 2015

WFP

World Food Programme

wfp.org

What is being presented today?

For approval

Enterprise Risk Management Policy

- First revision of Enterprise Risk Management (ERM) Policy since 2005
- Provides an overview of actions taken to strengthen ERM in the organization and way forward
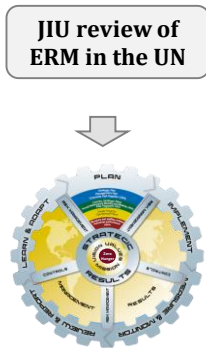
Recap: Enterprise Risk Management (ERM) in WFP

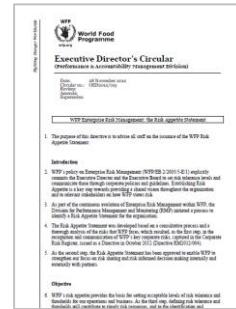**2005**

WFP's 1st Enterprise Risk Management policy

2010

JIU review of ERM in the UN

Integration of ERM in the Performance Management framework

2011

Corporate Risk Register

2012

Risk Appetite statement

2013

Inter-agency activities

Today

Enterprise Risk Management policy 2015

Continuous implementation of ERM in WFP

2015 ERM Policy: Reflecting progress in ERM development since 2005

- ERM policy 2005 contained basic structure of risk management, but did not provide information on how to operationalise risk management in WFP.

- The **2015 policy** brings:

  - ✓ Link between ERM and **Internal Controls**;
  - ✓ Outline of Staff **responsibilities and functions** (incl. Escalation process);
  - ✓ Outline of all **components** of the ERM framework (incl. Risk Registers, the CRR);
  - ✓ Reference to **risk appetite** statement and **risk tolerance**;
  - ✓ Clarification on **risk sharing** with partners;
  - ✓ Emphasis on embedding Enterprise Risk Management within the organization;
  - ✓ Outline of internal and external **risk reporting**.

Action taken following Informal Consultations w/EB

✓ Clarifying/Strengthening EB role in ERM

✓ Clarification of role of risk appetite in the ERM policy

✓ Emphasis on mainstreaming/integration of ERM in WFP (cost-neutrality)

✓ Clarification of WFPs role in strengthening ERM within the humanitarian community