

INDUCTION SESSION FOR NEW DELEGATES OF MEMBERS AND OBSERVERS OF THE WFP EXECUTIVE BOARD

SAVING LIVES CHANGING LIVES



Business Continuity Management

RMD Strategy 2024-2025

Our Vision

EMBEDDING RISK CULTURE TO ACHIEVE WFP'S MANDATE

Who we support

Transparency & Trust to **DONORS** Assurance & Oversight to **EXECUTIVE BOARD**

PEOPLE WE SERVE

Support & Safeguard **OPERATIONS**

Informed Decision-Making & Accountability by **MANAGEMENT**

Global Assurance Framework

Delegation of Authority

What we do

AS AN OVERARCHING 2ND LINE FUNCTION, WE...

Enterprise Risk Management Anti-Fraud and Anti-Corruption Risk Analysis Risk Escalation and Sharing Fraud Risk Management Risk Appetite Looting and Diversion Prevention Risk Monitoring and Key Risk Indicators Donor Review Management Country Risk Profile Index ...MONITOR, ADVISE, SUPPORT. **Organizational Resilience Management Oversight and Internal Controls Executive Director Assurance Enablers** Incident Notification and Escalation Management Oversight Global Risk Officer Network, Policy and Incident Management Statement on Internal Control Guidance, Risk Systems Training and Crisis Management

How we do it

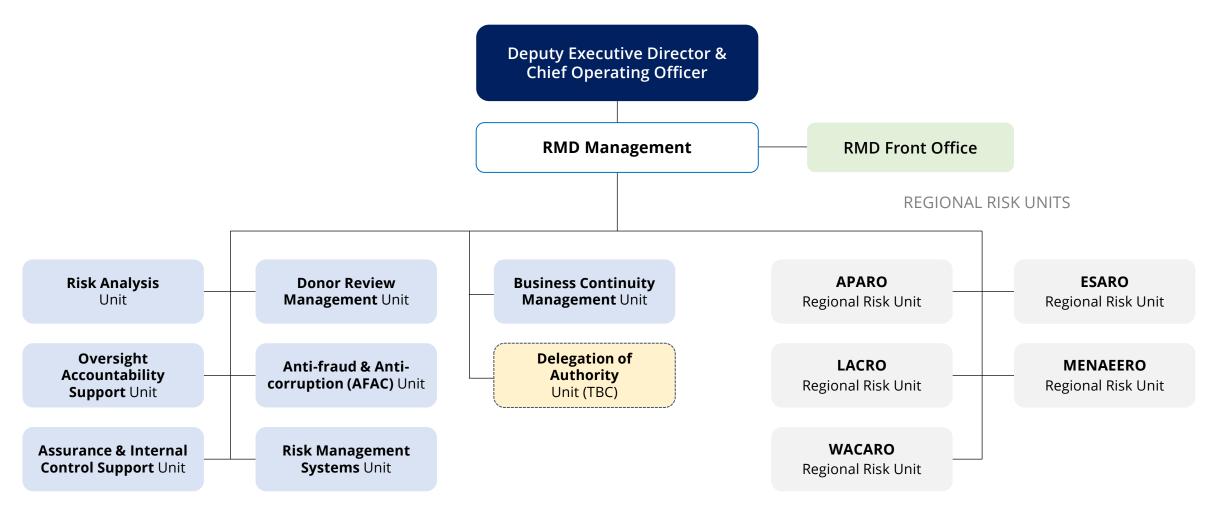
RISK MANAGEMENT FRAMEWORK

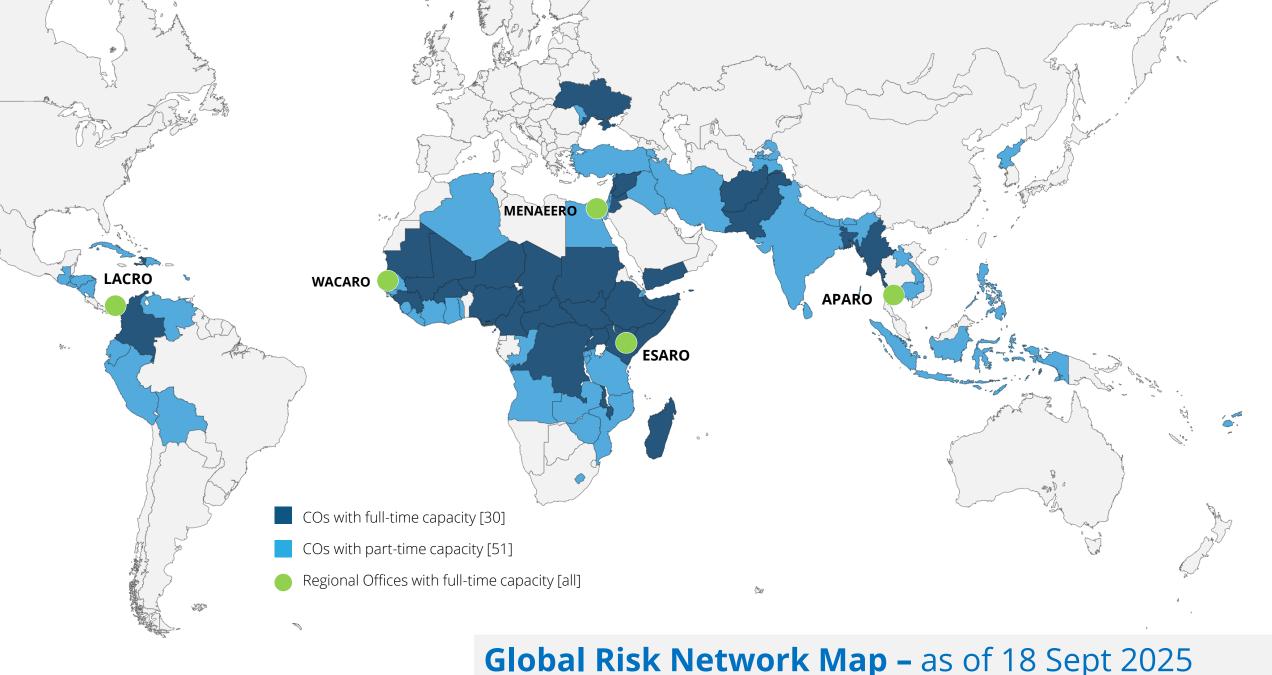
Awareness, Interagency Risk Coordination,

Coordination with Three Lines



RMD Organigram

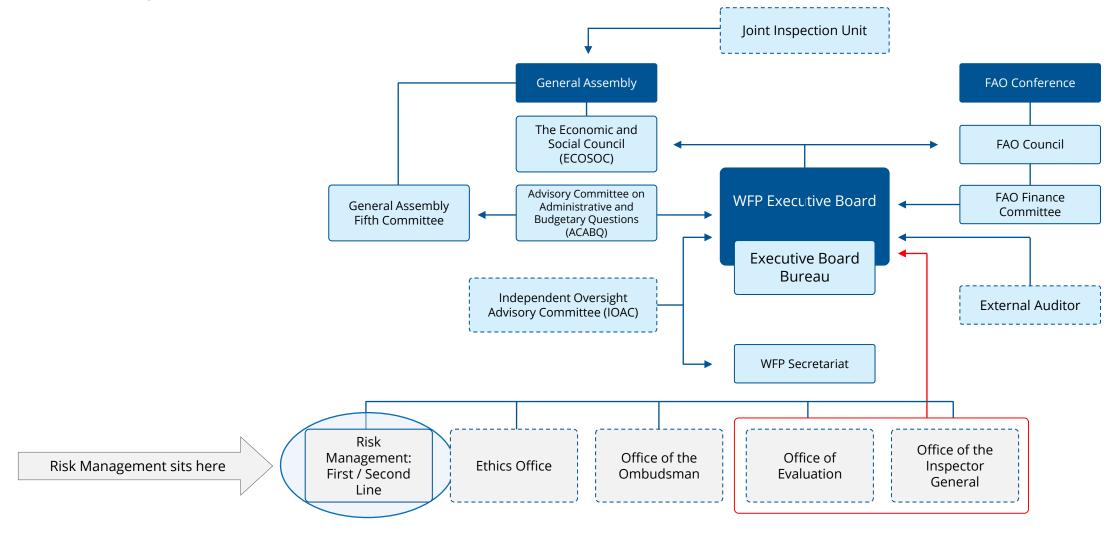




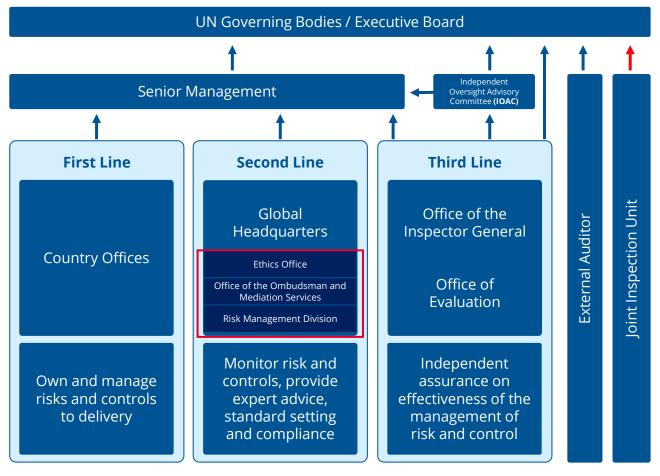
Global Risk Network Map – as of 18 Sept 2025

WFP's Overall Governance and Oversight Architecture

Where risk management sits



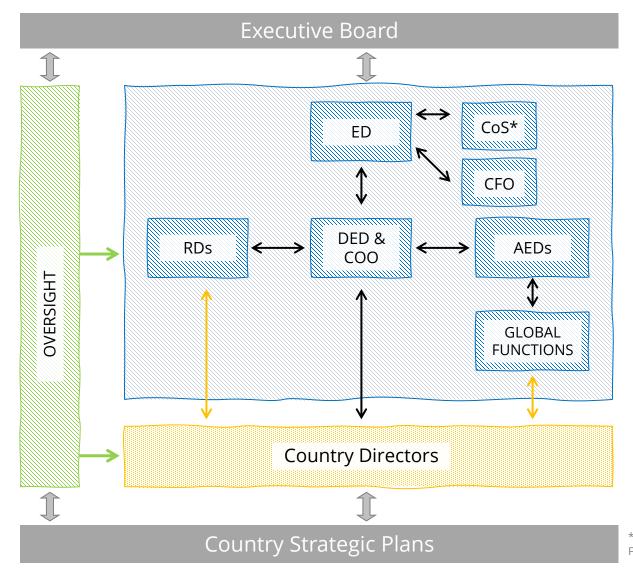
Three Lines Model



^{*} Functions outlined in red represent those with a full-time second line role

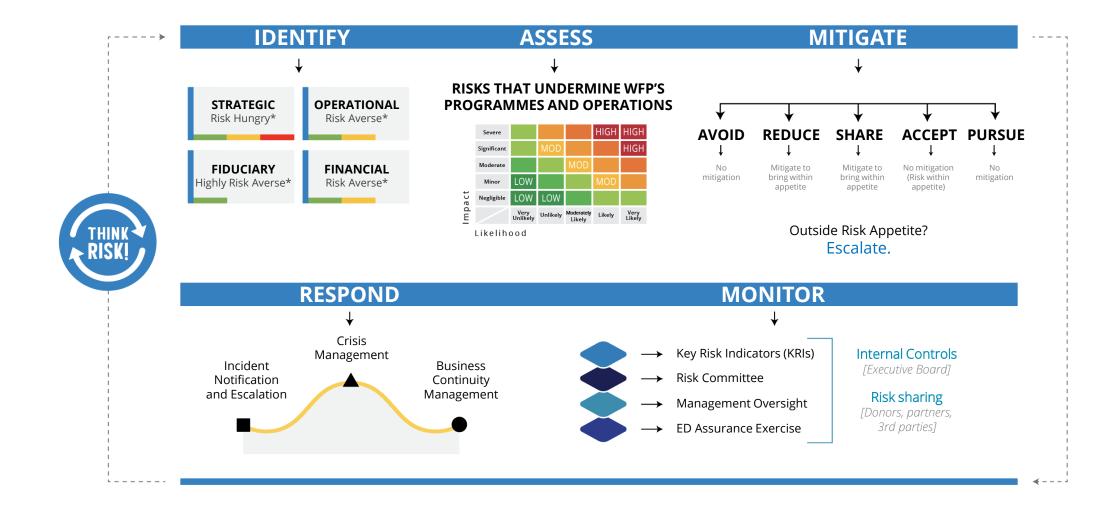
Management Accountability Framework



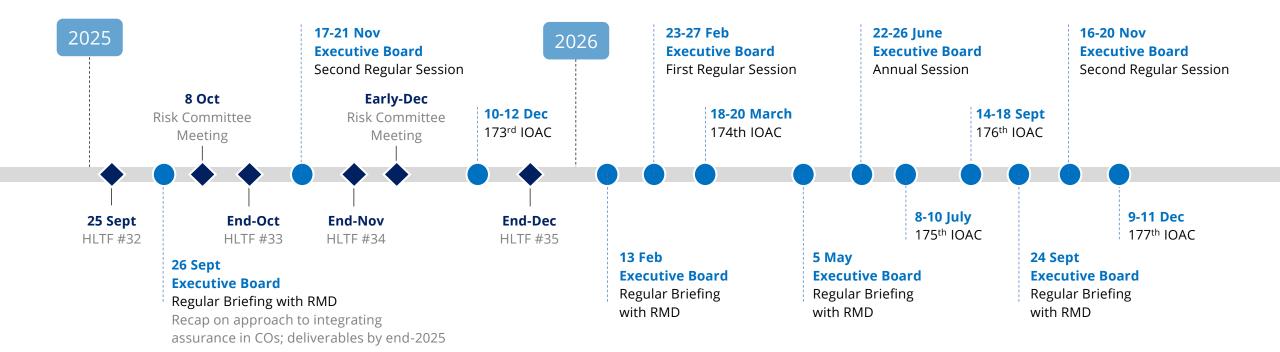


* COM & GPO are consolidated Global Functions accountable to the Chief of Staff.

Risk Management Lifecycle



Upcoming Engagements



LOOKING AHEAD

Q1 2026 - EB Briefing

- CRO Strategic Update
- Updates on Corporate Risk Register (CRR)
- Present the JIU (Joint Inspection Unit) status report
- Oversight recommendations Status report
- Update on Mainstreaming Assurance

Q2 2026 - EB Briefing

- CRO Strategic Update
- Updates on Operational Risk Register (ORR)
- Oversight recommendations Status report
- ED Assurance outcomes
- Management Review
- Response to the Annual Evaluation Report (AER)
- Evaluation implementation status report (Annex to AER)
- EA recommendation status (Annex to Audited Annual Accounts Report)

Q3 2026 - EB Briefing

- CRO Strategic Update
- Updates on CRR
- Oversight recommendations Status report
- Update on the WFP ERM Policy
- Update on the status of dissemination and communication of the AOF framework after EB approval in Q3 2026
- Update on Mainstreaming Assurance
- Management response to the Summary Field Report of the External Auditor



Overview of Risk Management at WFP and Executive Board Oversight Role

Board documents institutionally led by RMD:

- Internal Control Framework (OED 2015/016)1; and
- <u>Board-approved 2018 Enterprise Risk Management Policy</u>², <u>2018 Oversight Framework</u>³, and <u>2021 Revised Anti-Fraud and Anti-Corruption Policy</u>⁴.

Processes requiring annual updates to the Executive Board:

- Annual Executive Director Assurance Exercise which forms the Executive Director's Statement on Internal Control (published in the <u>Audited Annual Accounts</u>) and related <u>Management Review of</u> <u>Significant Risk and Control Issues</u> (Annual Session);
- Coordination and follow-up related to a) reviews conducted by the <u>Joint Inspection Unit of the United Nations System (JIU)</u> (First Regular Session) and b) corporate performance audits and field audits conducted by the <u>External Auditor</u> (Annual Session and Second Regular Session); and
- <u>Management response to the Annual Evaluation Report</u> and <u>Implementation Status of Evaluation Recommendations Report</u> (Annual Session).

Processes requiring regular updates to the internal Risk Committee (new), WFP Independent Oversight Advisory Committee (IOAC) and Executive Director:

- Corporate Risk Register (updated twice annually and presented to Risk Committee) for endorsement and IOAC thereafter)⁵; and
- Implementation status of Evaluation, JIU, External Auditor and Internal Audit oversight recommendations (quarterly updates to IOAC, updates to the Executive Director for relaying progress during pre-Board List meetings).

Key organizational governance process in place since 2011 – WFP first to implement in UN system



The Executive Director provides assurance to the Executive Board on the effectiveness of internal controls in WFP as required by Financial Rule 112.11, under Financial Regulation 12.1 (OED2021/019)

Findings summarized in following reports, giving a voice to WFP management on risk and control matters:

Executive Director's Statement on Internal Control (SIC) Management Review (MR) of Significant Risk and Control Issues

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Bottom-up feedback from WFP management triangulated with oversight and other evidence to assess WFP's overall control system



¹ Framework established in September 2011 and updated via Executive Director Circular in 2015 upon United Nations adoption of Three Lines in 2014.

² First policy approved by the EB in 2005 and the second in 2015. NEW POLICY expected 2025 onward, after evaluation is conducted.

³ First policy approved by the EB in 2011 and previously owned by the EB overnance Review findings.

⁴ First policy approved by the EB in 2010 and the second in 2015, both previously owned by the Inspector General.

⁵ Established in September 2011 to mainstream risk management, it considers risks that occur globally, focuses executive management attention to ensure accountability for addressing these risks, and facilitates priority decision-making around these risks.

Induction Background: External assurance and internal oversight

Governance and functional structure and reporting

External Audit (EA)

EB reporting:

- RMD designated institutional focal point for corporate performance and field audits, monitoring / tracking recommendations
- RMD prepares annual EA recommendations implementation status report [embedded annex in Audited Annual Accounts (from EB.A/2024)]
- Where applicable, findings/synergies summarized in RMD's Management Review of Significant Risk and Control Issues (EB.A)
- RMD prepared Management response to the summary field report on EA Management Letters (from EB.2/2024)

Management reporting:

- Risk Committee, <u>IOAC</u>, updates at the request of the EBB
- EA recommendations monitoring, validation & closure

Joint Inspection Unit (JIU)*

EB reporting:

- RMD designated institutional focal point for JIU reviews and UN System Chief Executives Board (<u>CEB</u>) coordination
- RMD prepares JIU annual report for EB.1
- Regular email updates via EBS on JIU reports issued throughout year (effective Jun 2023)
- Where applicable, findings/synergies summarized in RMD's Management Review of Significant Risk and Control Issues (EB.A)

Management reporting:

- Occasional surveys to field (e.g., racism, discrimination, insurance, PSEA)
- External Oversight
- Risk Committee/<u>IOAC</u>/ED Briefs

*Established by General Assembly Resolution 31/192 (22 December 1976), the JIU is the **only independent external oversight body** of the United Nations system mandated to conduct **evaluations**, **inspections**, and **investigations** system-wide

Office of Internal Audit (OIGA), Office of Inspector General (OIG)

EB reporting:

- OIGA issues recommendations (a.k.a. as "agreed actions") from internal audit, inspection and proactive integrity review (PIR) reports. With the exception of PIRs, which are unrated, recommendations are classified in terms of "Medium" or "High" priority. Summarized in Annual Report of the Inspector General (EB.A).
- Internal audit reports and accompanying management comments posted on WFP's public website since 2013, in accordance with the <u>Revised policy for disclosure of oversight reports</u> issued by the Office of the <u>Inspector General</u> (4th iteration since 2010) which allows Permanent Representations accredited to WFP to request various OIG reports
- Where applicable, findings/synergies summarized in RMD's Management Review of Significant Risk and Control Issues (EB.A)

Management reporting:

- RMD reports on Corporate Results Framework Key Performance Indicator (KPI) in Annual Performance Report (EB.A)
- Risk Committee/IOAC/ED Briefs

Office of Evaluation (OEV)

EB reporting:

- OEV issues impartial, systematic assessments of WFP activities, operations, strategies and policies via: i) Centralized evaluations commissioned and managed by OEV and presented to EB for consideration; ii) Decentralized evaluations commissioned and managed by management; and iii) Impact evaluations managed by OEV at the request of country offices.
- Management responses to centralized evaluations are presented to EB at each session, preceded by roundtable
- Management responses to the <u>Annual Evaluation</u>
 <u>Report</u> and <u>Implementation Status of Evaluation</u>
 <u>Recommendations Report</u> presented at EB.A (at
 EB.A/2024, a qualitative analysis was included by
 management for 1st time in latter)
- Where applicable, findings/synergies summarized in RMD's Management Review of Significant Risk and Control Issues (EB.A)

Management reporting:

- RMD report Corporate Results Framework Key Performance Indicator (KPI) in Annual Performance Report (EB.A)
- Risk Committee/<u>IOAC/ED Briefs</u>/Informal sessions and roundtables

Risk Management Division Learning Channel

LEARNING ESSENTIALS

Introduction to risk management

• provides structured approach to integrating risk management in WFP work plans and activities through risk identification, risk assessment, risk response & mitigation and risk monitoring.

Three Lines

- provides an introduction to WFP risk management model and internal controls outlined in 2018
 WFP Oversight Framework
- most popular non-mandatory course in 2020

Internal Control in Action

- accompanied by complementary field guide
- provides practical advice on how to implement better and smarter controls using WFP specific reallife examples
- most popular non-mandatory course in 2022 and to date

FOR RISK PROFESSIONALS

Minimum Control Standards for Managing Third Party Risks in Emergencies

- launched during COVID-19 pandemic
- designed to support colleagues in reducing likelihood of fraud and wrongdoing during emergencies
- focused on work with third parties (NGOs, vendors, Financial Service Providers)

Risk Management for Decision-Makers

- builds on Intro to Risk Management course
- targets more senior staff, however, other levels have taken

Risk Management Learning path

4-course certification:

- Three Lines launched Sep 2019
- Introduction to Risk Management launched Nov 2021
- Internal Control in Action launched May 2022
- Risk Management for Senior Decision-Makers launched Jun 2022





2025-2026 Corporate Risks

2024-2025		2025-2026	Remark
Funding gap	→	Funding gap	Carry-over
Fraud & corruption	\longrightarrow	Fraud & Corruption	Carry-over
Workforce alignment	\longrightarrow	Workforce misalignment	Carry-over (renamed)
Employee duty of care	\longrightarrow	Suboptimal employee duty of care	Carry-over (renamed)
Digital transformation	\longrightarrow	Digital stagnation	Carry-over (renamed); including cyber risk
Programme focus	\longrightarrow	Ineffective adaptation to the new normal	NEW in consideration of changing humanitarian landscape
Beneficiary protection	1	Lack of programme	NEW in consideration of comprehensive
Operational partnership	<u></u>	assurance	assurance focus

WFP Risk Categorization

Four risk categories, 15 risk areas and 41 risk types

Risk hungry		Risk averse					Highly risk averse	Risk averse		
	1. Strategic		2. Opera			3. Fiduciary	4. Financial			
1.1	Programme	2.1	Beneficiary Health, Safety	2.5	Business Process	3.1	Employee Health, Safety	4.1	Price Volatility	
1.1.1	Intervention misaligned		and Security	2.5.1	Supply chain disruption		and Security			
	with outcome	2.1.1	Poor assistance quality	2.5.2	Mistimed scale-up/down	3.1.1	Inadequate occupational	4.2	Assets and	
1.1.2	Skills shortage/	2.1.2	Lack of protection	2.5.3	Disruption from change		health or psychosocial well-		Investments	
4.4.0	mismatch				programmes	212	being	4.2.1	Misutilization of assets	
1.1.3	Funding insufficient	2.2	Partners and Vendors		_	3.1.2	Poor safety	4.2.2	Investment loss	
4.0	Francisco el colonia de la latin	2.2.1	Inadequate availability or	2.6	Governance and	3.1.3	Insufficient security			
1.2	External relationship	222	capacity	2 (1	Oversight Dear desision making	2.2	Proach of Obligations			
1.2.1	Restrictive donor funding	2.2.2	Poor/inconsistent quality	2.6.1	Poor decision-making processes/quality	3.2 3.2.1	Breach of Obligations Policies and standards			
1.2.2	Misalignment with UN	2.2.3	Inability to safeguard own security	2.6.2	Inadequate monitoring,	3.2.1	Regulations or laws			
	system, governments, partners and non-state		security	2.0.2	reporting and escalation	3.2.3	Third party contracts			
	groups	2.3	Assets	2.6.3	Lack of accountability	3.2.4	Donor agreements			
1.2.3	Disinformation	2.3.1	Deliberate damage			5.2.7	Donor agreements			
		2.3.2	Accident			3.3	Fraud and Corruption			
1.3	Context	2.5.2	, tocide it			3.3.1	Corruption			
1.3.1	Conflict	2.4	IT and Communications			3.3.2	Misappropriation-Cash			
1.3.2	Natural disaster	2.4.1	Utility outage/			3.3.3	Misappropriation-Other			
1.3.3	Economic crisis		disruption				Assets			
		2.4.2	System failure			3.3.4	Fraudulent reports			
1.4	Business model	2.4.3	Cyber incidents				•			
1.4.1	Failure to innovate		-							
1.4.2	Weak/poor execution					D:	se it as a spot checklist to	o identi	ify priority risks	

Risk Management Division 15

and some other risks one might have missed

2025 Country Risk Profile Index with new 2025 thresholds

High (=>60)				Moderate (32 - 60)					Low (<= 32)		
Rank	СО	Score	Rank	СО	Score	Rank	СО	Score	Rank	СО	Score
1 (3)	South Sudan	86.5	22 (11)	Kenya	58.6	43 (42)	Libya	39.5	63 (61)	Armenia	31.6
2 (6)	Sudan	84.6	23 (28)	Zimbabwe	57.9	44 (64)	Namibia	39.3	64 (50)	Guinea	30.8
3 (5)	Yemen	80.4	24 (19)	CAR	57.5	45 (74)	Togo	39.2	65 (48)	Philippines	30.8
4 (9)	DRC	80.4	25 (21)	Malawi	55.8	46 (41)	DPRK	38.6	66 (67)	Tajikistan	29.6
5 (4)	Afghanistan	78.9	26 (24)	Colombia	54.6	47 (47)	Djibouti	38.2	67 (43)	Benin	29.2
6 (1)	Chad	73.6	27 (62)	Zambia	53.5	48 (45)	Guinea-Bissau	38.2	68 (59)	Eswatini	28.1
7 (2)	Somalia	73.0	28 (49)	Angola	52.2	49 (81)	Bolivia	36.8	69 (56)	Ghana	27.8
8 (7)	Haiti	72.7	29 (22)	Uganda	52.1	50 (40)	Tanzania	35.7	70 (76)	Lao PDR	26.1
9 (8)	Syria	71.3	30 (33)	Cameroon	51.7	51 (68)	Cuba	35.5	71 (75)	Nepal	25.8
10 (23)	Mozambique	70.4	31 (31)	Mauritania	50.0	52 (36)	Guatemala	34.9	72 (57)	Iran	25.4
11 (17)	Palestine	69.1	32 (30)	Honduras	50.0	53 (37)	Ecuador	34.8	73 (65)	Timor-Leste	25.3
12 (13)	Ethiopia	68.3	33 (25)	Pakistan	49.9	54 (53)	Rwanda	34.2	74 (79)	Caribbean MCO	24.5
13 (15)	Myanmar	68.2	34 (32)	Burundi	49.9	55 (63)	Sierra Leone	34.2	75 (77)	Sri Lanka	24.0
14 (14)	Mali	68.1	35 (20)	Madagascar	47.0	56 (55)	Côte d'Ivoire	33.9	76 (72)	Cambodia	23.9
15 (12)	Nigeria	65.9	36 (26)	Egypt	42.9	57 (70)	Moldova	33.8	77 (82)	Pacific MCO	23.6
16 (10)	Niger	62.8	37 (39)	Jordan	42.5	58 (38)	Nicaragua	32.9	78 (73)	Kyrgyzstan	23.1
17 (18)	Burkina Faso	62.6	38 (44)	Congo	41.7	59 (71)	Peru	32.6	79 (66)	São Tomé & P.	22.4
18 (29)	Ukraine	61.4	39 (51)	Senegal	41.6	60 (52)	Algeria	32.2	80 (58)	Turkey	21.0
19 (16)	Lebanon	60.7	40 (54)	Lesotho	41.5	61 (69)	Liberia	32.1	81 (78)	Dominican Rep.	20.7
20 (27)	Venezuela	60.5	41 (46)	El Salvador	39.8	62 (60)	Gambia	32.1	82 (80)	Tunisia	16.0
21 (35)	Bangladesh	60.3	42 (34)	Iraq	39.7				83 (85)	Indonesia	15.7
									84 (84)	India	15.6
									85 (83)	Bhutan	11.9

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Notes: Shortened Country names: DRC – Democratic Republic of the Congo, CAR - Central African Republic, São Tomé & Prin. - São Tomé and Príncipe, Dominican Rep. - Dominican Republic, DPRK = Democratic People's Republic of Korea, MCO = Multi-Country Office

2021 Revised AFAC Policy – Fraud Management Cycle

1. Identify and assess fraud risks

- · Be aware of potential fraud in your functional area
- Assess the risks and prioritise those which require WFP to focus its resources for prevention and mitigation

2. **Prevent**, deter, and detect fraud

- Live the WFP values
- · Follow the WFP rules and regulations
- · Maintain a strong system of controls
- · Complete the mandatory training on WeLearn

3. Respond to fraud incidents

- If you see something, say something!
 Report to OIG: InvestigationsLine@wfp.org
- You are also strongly encouraged to report to your Office or Division Directo
- · Address control gaps found to have con





IDENTIFY

CONDUCT AN ANNUAL FRAUD RISK ASSESSMENT: Enables you to identify the top

Enables you to identify the top fraud risks and focuses your attention in mitigating them.



PREVENT, DETECT AND DETER

SET THE TONE: The best defence against fraud is to live the WFP values and promote a culture of integrity, honesty and accountability.

ENFORCE INTERNAL

CONTROLS: Promote adherence to the existing system of internal controls for preventing and detecting fraud. Carefully consider the impacts of temporarily waiving a control and document the rationale for doing so.

RAISE AFAC AWARENESS:

Empower staff with knowledge on fraud management – ensure your staff are up to date with the AFAC/PSEA mandatory WeLearn course.

EMBED AFAC IN CONTRACTUAL ARRANGEMENTS: Ensure

contractual arrangements with cooperating partners, vendors and other third parties include appropriate provisions for countering and recovering losses due to fraud.



RESPOND

PROMPTLY REPORT:

- OIGI: Encourage your staff to promptly report any reasonably suspected case of fraud.
 INVESTIGATIONSLINE@wfp.org
- MANAGEMENT: Escalate any material case of fraud to your Regional Director, the Director of Enterprise Risk Management Division and the Inspector General.
- DONOR: Comply with fraud reporting requirements in applicable donor agreements.
- Ensure that a feedback mechanism is in place for beneficiary and external reporting.



COUNTRY DIRECTOR AFAC CHECKLIST: BEST PRACTICES EVERY LEADER SHOULD ACT ON TO PREVENT ERALID

take huge pride in our work. But we also know that WFP's fantastic work can be dermined by the dishonesty of a small number of people. e good news? There are some basic steps Country Directors can take to **identify** ud risks, **prevent** them from happening, and **respond** to them if they happen.



Risk Management Division

Identify

Assurance

on AFAC

2021 Revised AFAC Policy – What are prohibited practices?



General Principles

Risk Appetite: "WFP is highly risk averse"

WFP will take action: zero tolerance for inaction

Organizational Resilience: Governance in UN and in WFP

RMD – BCM role

UN Policy on the Organizational Resilience Management System (ORMS)

WFP Organizational Resilience Management

Supports the ORMS implementation in WFP through the Organizational Resilience Management Group (ORMG) composed by HQ directors and chaired by Chief Risk Officer

WFP Crisis Management

Acts as Secretariat of the CORP Crisis Management Team. In the past 12 months, CORP-CMT handled four (4) crises:

- a) Gaza, Lebanon and Syria
- b) Syria (Aleppo)
- c) DRC
- d) Yemen

WFP Business Continuity Management

Provides technical support as required, advising on quality and effectiveness of the Business Continuity Plans and their adherence to the BCM standard practices.

In 2025, BCM team developed a BCP-exercise package for Cos to test their plans for further resilience, preparedness and capacity strengthening.

Business Continuity Management: Plans and Exercises

CO Business Continuity Plan Status

High Risk			Mo	Low				
со	BCP Status	со	BCP Status	со	BCP Status	co	BCP Status	
1 South Sudan	In progress	Kenya	In progress	Libya	No info	Armenia	In progess	
2 Sudan	In progress	Zimbabwe	Not started	Namibia	Not started	Guinea	In progess	
3 Yemen	In progress	CAR	In progress	Togo	In progress	Philippines	In progess	
4DRC	Completed	Malawi	In progress	DPRK	No info	Tajikistan	No info	
5 Afghanistan	In progress	Colombia	In progress	Djibouti	Not started	Benin	Completed	
6Chad	Completed	Zambia	In progress	Guinea-Bissau	Completed	Eswatini	In progess	
7 Somalia	Completed	Angola	Not started	Bolivia	In progess	Ghana	In progess	
8 Haiti	In progress	Uganda	In progress	Tanzania	In progress	Lao PDR	Not started	
9 Syria	Completed	Cameroon	Completed	Cuba	Not started	Nepal	Completed	
0 Mozambique	In progress	Mauritania	In progress	Guatemala	In progress	Iran	In progess	
1 Palestine	In progress	Honduras	In progress	Ecuador	In progress	Timor-Leste	Not started	
2 Ethiopia	Completed	Pakistan	In progress	Rwanda	In progress	Caribbean MCO	In progess	
3 Myanmar	In progress	Burundi	In progress	Sierra Leone	In progress	Sri Lanka	Completed	
4 Mali	In progress	Madagascar	Completed	Cote d'Ivoire	In progress	Cambodia	In progess	
5 Nigeria	Completed	Egypt	No info	Moldova	In progress	Pacific MCO	In progess	
6 Niger	Completed	Jordan	Completed	Nicaragua	In progress	Kyrgystan	Not started	
7 Burkina Faso	Completed	Senegal	Completed	Peru	In progress	Sao Tome & P	In progess	
8 Ukraine	No info	Congo	In progress	Algeria	Not started	Turkey	In progess	
9 Lebanon	In progress	Leshoto	In progress	Liberia	In progress	Dominican Rep.	In progess	
0 Venezuela	In progress	El Salvador	In progress	Gambia	In progress	Tunisia	No info	
1 Bangladesh	Completed	Iraq	In progress			Indonesia	In progess	
2						India	In progess	
3						Bhutan	In progess	
9				5		3		

Business Continuity Plan Exercises – 2025

Completed BCP exercises:

- 1. Togo
- 2. Ivory Coast
- 3. Cameroon
- 4. Nigeria
- 5. Niger
- 6. Burkina Faso
- 7. DRC

Planned BCP exercises:

- 1. Chad
- 2. Ethiopia
- 3. Uganda

Risk Management Reference Materials

Policies and Frameworks

- 2015 Internal Control Framework (link)
- 2018 Enterprise Risk Management Policy (link)
- 2018 Oversight Framework (link)
- 2021 Revised Anti-Fraud and Anti-Corruption Policy (link) and related Executive Director's Circular (link)
- 2023 Framework for Management Oversight (link)

Risk identification, assessment and monitoring

- Risk register template (link) including guidance on risk classification, assessment scale and risk catalogue for typical risk descriptions
- Risk review workshop template (link) PPT template to conduct a risk assessment workshop
- Risk Management Lifecycle SOP (link) A "how to" guide on operational steps to implement effective and efficient risk monitoring
- Risk reporting template (<u>link</u>)
- Country Risk Profile Index (link)

Internal control

- Annual ED Assurance Exercise (link)
- Field Guide to Internal Control in Action (link)
- The Three Lines Model (link)
- Minimum Control Standards: Managing Third Party Risks in Emergencies (link)
- · Note: Control Checklists under revision

Additional resources

- RMD collection (<u>link</u>)
- Risk Management Manual (link)
- Handbook on Fraud and Corruption Prevention (<u>link</u>)
- External Oversight Recommendation Dashboards (<u>link</u>)
- Evaluation recommendations tracking dashboard (link)
- Business Continuity Management collection (link)
- Business Continuity online training (link)

