



WFP EVALUATION

Evaluation of WFP's Enterprise Risk Management Policy (2018)

Round table of the WFP Executive Board – October 2025



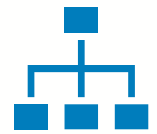
World Food Programme

SAVING
LIVES
CHANGING
LIVES

Context



Increasingly complex operating contexts expose WFP to multi-layered risks



Increased attention to Enterprise Risk Management to provide a **structured approach to identifying & mitigating risks to improve outcomes**



WFP's first ERM policy in 2005 – subsequent updates in 2015 & 2018

Enterprise Risk Management Policy objectives

- 1 Establish & maintain consistent **risk management framework**
- 2 Establish **culture of risk management**
- 3 Achieve common understanding of **WFP's risk appetite**



Conclusion 1: Policy quality & roll-out

Strong

- Clearly informed by evidence
- Clear risk categorization
- Strong external alignment with UN frameworks

Between 2018 and 2024:

- Expansion of staffing & risk network
- Stable financial resources

Gaps or limited clarity

- Limited coherence with other WFP policies
- Limited integration of cross-cutting themes
- Gaps in definition of risk appetite and risk escalation processes
- Fragmented communication following policy launch & limited management support during roll-out



Conclusion 2: Risk management culture

Stronger **risk culture** thanks to:

- better-integrated risk management functions
- sustained leadership attention
- more structured risk discussion in the field

Approach to risk management blending formal and informal practices.

From **risk management** implemented by specialists, towards **becoming everyone's business**.

Shortcomings:

- Limited trust & incentives for more proactive risk reporting
- Limited shared understanding of strategic importance of risk management across WFP
- Risk management not systematically embedded **in individual performance objectives & appraisals**



Conclusion 3: Effectiveness of risk management

Risk informed decision-making improved across WFP thanks to clearer and more consistent

- risk identification
- risk assessment
- risk monitoring
- some improvements in risk mitigation

Shortcomings:

- Challenges in managing **risk escalation** processes
- Challenges in managing **out-of-appetite risks**



Conclusion 4: Risk-informed decision making

- WFP corporate & strategic planning processes are **highly risk informed**
- **Risk considerations guide decision-making processes** although not always explicitly
- **Positive role of risk officers** for enhancing risk-informed decision-making

Missed opportunities:

- **Better linking CSP development and risk analysis**
- Smoother integration of risk management with programme planning through **IT platform**
- Further clarify roles & responsibilities for risk management across functions



Conclusion 5: Engagement with external partners

- Overall **improvements in WFP's interactions with stakeholders**

However:

- **Guidelines on risk sharing** with partners inconsistently used
- Insufficient attention to the **role and contribution of cooperating partners** in risk management
- **Risk sharing with governments & partners** lacks formalization and clear dialogue on risk appetite & residual risk



Conclusion 6: Humanitarian principles and risk management

- Humanitarian principles & ERM can coexist – there may be tensions but no contradiction
- Adhering to humanitarian principles can strengthen risk mitigation
- Trade-offs can exist between the drive for rapid delivery and principled, risk-informed operations



Conclusion 7: Resources for risk management

- Limited funding may constrain quality of risk assessment & of risk monitoring, and comprehensiveness of risk mitigation measures
- Reduced resources may reduce WFP's ability to sustain resourcing levels for Enterprise Risk Management
- When funding contracts, the risk of financial losses & reputational risks become more consequential

Recommendations

1

Revise, update & consolidate the **Enterprise Risk Management Policy** and accompanying guidelines

2

Take steps to further strengthen the **ERM culture within WFP**

3

Strengthen **ERM tools** to enhance **contribution to decision-making & performance** – including around cross-cutting issues

4

Clarify & strengthen the criteria used to inform **resource allocation** for risk management

5

Enhance **mutual transparency** on risk management **with external partners**