



UNHCR

United Nations High Commissioner for Refugees
Haut Commissariat des Nations Unies pour les réfugiés

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Policy

for *Enterprise Risk Management* in UNHCR

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1. Purpose and objectives

1.1. The purpose of this policy is to establish Enterprise Risk Management¹ (ERM) in UNHCR, bridging various risk management policies and formal/informal practices already in place. The overall purpose is to identify and prioritize risks faced by field operations and Headquarters' entities and develop and implement appropriate risk treatments relevant to their specific context. This organization-wide approach to risk management defines a systematic risk management process, developed in line with risk management best practices in the public and private sectors and adapted to UNHCR's needs.²

1.2. This policy supports the attainment of the following organization-wide objectives:

- **Enhanced risk awareness:** a culture where staff have a greater understanding of risks and their responsibility to manage them;
- **Results-based management:** improved decision making through the consideration of risks and their potential impact on programmes and projects and budget allocations;
- **Enhanced partnerships:** strengthened partnerships for ensuring the attainment of best results for the persons of concern;
- **Protection of reputation:** anticipation of risks which could negatively affect UNHCR's reputation, impacting its ability to raise funds, and to carry out its mission;
- **Strengthening of accountability:** enhanced management accountability and performance management through the definition of clear risk management roles and responsibilities;
- **Transparency:** improved transparency within the Organization and towards persons of concern, member states and other stakeholders, as risks are clearly communicated internally and externally.

1.3. A structured, formal approach to risk management across the organization is put in place to increase effectiveness in the achievement of the defined objectives for our programmes and projects through a comprehensive and consistent identification, assessment and mitigation of risks (risk treatment). This will, over time, enable UNHCR to gain better understanding of all risks affecting its ability to reach set objectives and most importantly will improve treatment of these risks.

1.4. Effective risk management is an important element of good organizational governance and assists managers in discharging of their accountabilities. The establishment of ERM also addresses a set of important recommendations³ from the United Nations Board of Auditors.

1.5. Risk assessment is also an important component of effective internal control; it is absolutely essential to build and maintain internal controls with a knowledge and understanding of the risk environment.⁴ Finally, risk management will help and inform oversight bodies in planning their activities (internal and external audits, inspections, others).

¹ The term Enterprise Risk Management reflects the organization-wide nature of UNHCR's approach to risk management established through this policy.

² This policy is designed based on the international standard for risk management, ISO 31000 "Risk management – Principles and guidelines" © ISO 2009.

³ See A/66/5/Add.5 and A/68/5/Add.5 for further details.

⁴ While UNHCR has adopted COSO framework for internal control, the latter does not preclude the use of non-COSO ERM frameworks for risk management. COSO stands for Committee of Sponsoring Organizations of the Treadway Commission, "Internal Control – Integrated Framework, May 2013", "Enterprise Risk Management – Integrated Framework, September 2004".

2. Scope

2.1. The scope of this policy is the management of risks faced by UNHCR world-wide, *with particular emphasis on risk treatment*. This scope includes:

- management of *strategic risks*, affecting the entire organization;
- management of *risks at country/operation level* in the field;
- management of risks at the Headquarters' entities.

2.2. Compliance with this policy *is mandatory*. This entails:

- completion of initial risk assessments and recording the results in the Corporate Risk Register⁵ by *31 March 2015*;
- integration of identified risk treatment in the detailed plans and budgets for 2015 as completion of risk assessment progresses;
- integration of identified risk treatment in the plans and budgets for 2016 and beyond;
- regular review and update of risk assessments on annual basis.

2.3. **Detailed instructions and procedures providing guidance on the implementation of this policy are issued separately. Training and support will be provided by the ERM unit throughout the rollout.**

2.4. Risk categories (**Annex A**) included in this policy serve as a useful reference for determining what areas to consider in the risk management. While many risks, particularly operational risks at the field level, will be highly contextual and vary from place to place, there are areas which are more prone to risks, hence must always be included in risk assessments. **Risks identified through fraud, staff safety and security risk assessments, and main risks identified through the framework for implementing with partners must be systematically included in the risk registers.**

2.5. The existing policies and procedures on fraud prevention, staff safety and security, and risk-based framework for implementing with partners already contain provisions related to risk management. They will not be superseded, in part or full, by this policy and related instructions and procedures, unless it is explicitly stated. ERM as defined in this policy includes the risk areas mentioned above, to ensure comprehensiveness of risk registers. However, the detailed assessment and treatment of specific risks in these areas continues to be performed in line with the existing and future specialized technical guidance.

2.6. Experience shows that fraud may occur in a number of areas within which the organization operates. These typically include, but are not limited to, fraud in financial transactions, supply management, medical insurance plan, academic fraud (e.g. fake academic credentials), fraud related to resettlement, refugee status determination (RSD), registration of persons of concern, amongst others. It is important that risk assessments examine these areas and all relevant risks are captured and recorded in the risk registers.

2.7. This policy is specifically addressed to:

- regional and country Representatives and heads of offices in the field;
- members of Senior Management Committee (SMC), *particularly the Directors*, managers of other entities at the Headquarters;
- all risk management focal points (to be nominated in accordance with this policy).

⁵ See paragraphs 4.1.2 - 4.1.5 below.

2.8. Staff members (both international and national, in the field and at Headquarters) who are regularly involved in decision-making, planning and control activities should be fully familiar with all elements of this policy and any associated instructions and procedures.

2.9. All staff members are expected to be familiar with basic concepts of risk management and to apply these concepts in performing their duties as applicable.

3. Rationale

3.1. Taking calculated risks is done every day in UNHCR. However, risk assessment and mitigation, though regular features of UNHCR's work, are neither consistently applied across the organization nor are systematically documented and factored into planning and prioritization processes on a regular basis. This necessitates the present policy to address these issues.

3.2. A systematic and holistic approach to risk management supports the organization in the achievement of its objectives by proactively identifying, assessing, prioritizing, and controlling risks across the organization. UNHCR recognizes that risk management is part of the planning and priority-setting process, and it requires a systematic approach across the organization through an ERM system.

4. Main provisions

4.1. General requirements

4.1.1. Adoption of ERM requires the following:

- compliance with a set of principles as prescribed by a recognized international standard for risk management, in case of UNHCR this is the ISO 31000;
- implementation of a standard risk management process across the organization; *and*
- establishment of functional accountabilities/responsibilities in relation to risk management across the organization.

4.1.2. Information on risks will be maintained in risk registers. The entries in the country and Headquarters risk registers will be maintained by the risk management focal points and will be periodically reviewed and approved by the risk owners.

Country risk registers

4.1.3. Country operations will conduct initial risk assessments and create the risk registers no later than 31 March 2015. The risk register will capture information on risks, including risk names and descriptions, their impact and likelihood, risk owners and risk treatment plan(s).

Headquarters' entities risk registers

4.1.4. Similar to the field, the Headquarters' entities will hold their first risk assessment and create their risk register latest by March 31, 2015. The risk register will capture information on risks, including risk names and descriptions, their impact and likelihood, risk owners and risk treatment plan(s).

Corporate Risk Register

4.1.5. Country and Headquarters entity risk registers will be consolidated into a single register centrally. This consolidated risk register will constitute UNHCR's *Corporate Risk Register*. The ERM unit at Headquarters will review the content of the Corporate Risk Register, suggest amendments,

conduct trend analysis and produce reports for risk management purposes on periodic basis. Such central oversight will ensure coherence of risk information across the organization.

Strategic Risk Register

4.1.6. UNHCR will also create and maintain a Strategic Risk Register, which will identify significant organization-wide risks. The Strategic Risk Register will be owned by the High Commissioner; its content will be informed by the dominant risk areas captured in the Corporate Risk Register, as well as risk areas deemed critical and visible at the organizational level only. This register will have a structure similar to the Corporate Risk Register, and it will be maintained by the Chief Risk Officer.

4.1.7. Both the Strategic and the Corporate Risk Registers will contain information on intended risk treatments, identified at the time of risk evaluation.

4.1.8. The following sections outline the risk management principles, the risk management process, functional accountabilities/responsibilities and risk management in specific areas. **Separately issued instructions and procedures will provide further detailed guidance specifically in relation to the risk management process.**

4.2. Risk management principles

4.2.1. Effective risk management requires compliance with a set of principles as contained in the international standard for risk management and adapted to UNHCR. These principles are:

- **Risk management contributes to the achievement of UNHCR's objectives** through a better understanding of the risks that influence them.
- **Risk management is an integral part of all organizational processes** – risk management is not a stand-alone activity but an integral part of the responsibilities of management and all organizational processes, including planning and programme/project implementation.
- **Risk management is part of UNHCR's decision making** – risk management helps management and staff at all levels to make informed choices, prioritize actions and distinguish among alternative courses of action, based on enhanced risk awareness.
- **Risk management explicitly addresses uncertainty** – risk management explicitly takes account of uncertainty, the nature of that uncertainty, and how it can be addressed.
- **Risk management is a systematic, structured and timely process** – contributing to the efficiency and attainment of consistent, comparable and reliable results.
- **Risk management is based on the best information available** – the inputs to the risk management process are based on various information sources such as historical data, experience, stakeholder feedback, audit findings and other observations, forecasts and expert judgments. However, decision makers should take into account any potential limitations of the various information sources to reduce any real or perceived subjectivity.
- **Risk management is aligned with UNHCR's external and internal context** – UNHCR's approach to risk management takes into account the external and internal contexts/environments in which it operates in different parts of the world.
- **Risk management takes human and cultural factors into account** – UNHCR's approach to risk management recognizes the capabilities, perceptions, and intentions of staff and partners that can facilitate or hinder the achievement of objectives.
- **Risk management is transparent and inclusive** – UNHCR's approach to risk management values appropriate and timely involvement of stakeholders and, in particular,

decision makers at all levels of the organization, ensuring that risk management remains relevant and up-to-date.

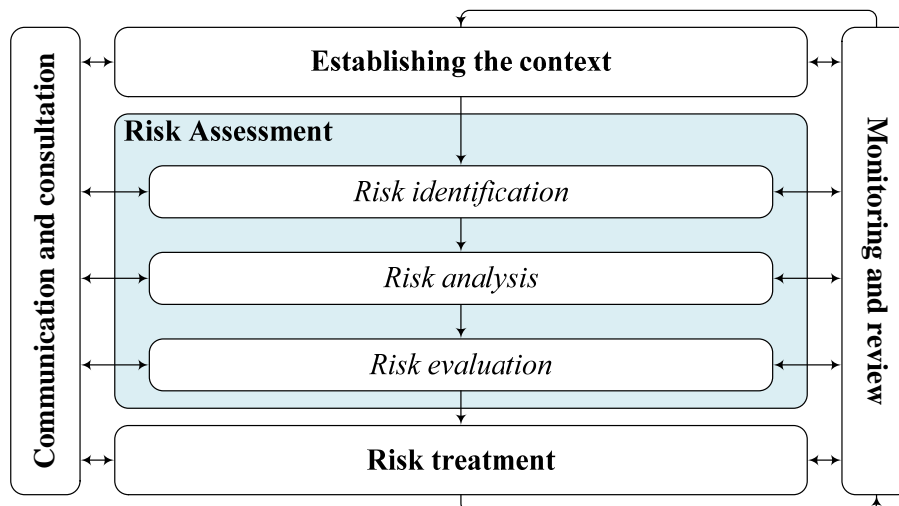
- **Risk management is dynamic and iterative** – as new external and internal events occur, risks are regularly monitored and reviewed, and most importantly risk treatments are adjusted accordingly, responding to changes in risks (emergence of new risks, changes in risks already identified).
- **Risk management facilitates continual improvement of the organization** – UNHCR develops and implements strategies to improve its risk management alongside all other aspects of the organization.

4.2.2. Staff at all levels should strive to comply with these principles.

4.3. Risk management process

4.3.1. The risk management process is an integral part of the operations management cycle. It starts at the stage of planning and resource allocation, and continues throughout implementation, monitoring, and reporting.

4.3.2. The graph below schematically represents the risk management process (as per ISO 31000):



4.3.3. It is important to ensure that communication and consultations take place throughout the risk management process, making sure that the broadest spectrum of views is taken into account throughout the process. This should, *at a minimum*, include all key international and national staff, regularly involved in decision-making and planning activities, representing a cross-section of roles and expertise in a given field operation or Headquarters' entity. Such consultations ensure that all key areas are adequately reviewed, setting the stage for effective risk management with particular emphasis on pertinent risk treatment. Monitoring and review activities should be continuously undertaken at all stages.

4.4. Functional accountabilities/responsibilities

4.4.1. This section provides a description of the accountabilities/responsibilities of the different functions involved. Adequate risk governance mechanisms are critical for the adoption and full implementation of an effective risk management.

4.4.2. **It must be noted that principle responsibilities related to risk management on a daily basis rest with the Representatives in the field and the Directors at Headquarters in their capacity**

of risk owner. As such, accountabilities/responsibilities for risk management will be mainstreamed into the relevant accountability frameworks and will not become stand-alone/parallel features.

The High Commissioner

4.4.3. The High Commissioner is accountable for the establishment and operation of an effective ERM system that supports UNHCR's global strategic objectives. The High Commissioner is the *risk owner* for all strategic risks.

The Deputy High Commissioner

4.4.4. The Deputy High Commissioner (DHC) is accountable for the implementation and effective functioning of the ERM system in UNHCR. The DHC will monitor the development and maintenance of the Strategic Risk Register and will initiate SMC meetings for risk management purposes. The DHC will report on ERM matters to internal/external stakeholders as required. DHC is the owner of ERM and the Strategic Risk Register. In this function, the DHC will convene an advisory group at senior level to review the strategic risks on an annual basis or more frequently, as needed. The DHC will be supported by the ERM unit, headed by the Chief Risk Officer.

The Chief Risk Officer

4.4.5. The Chief Risk Officer (CRO), directly reporting to the DHC, heads the ERM unit. The detailed accountabilities, responsibilities, and authorities of the ERM unit can be found in **Annex C**. The CRO will act as a secretary during risk reviews chaired by the DHC. The CRO will be the custodian of the *Corporate Risk Register* and will be responsible for maintaining the *Strategic Risk Register*.

Risk owners

4.4.6. Risk owners are accountable for managing risks within their purview. **In the field these are the regional and country Representatives. At Headquarters these are the Directors of regional bureaux and divisions. The DHC is the risk owner for all entities (other than bureaux and divisions) reporting directly to the Executive Office.** The DHC may delegate this role to the respective manager of the entity concerned as appropriate.

4.4.7. Risk owners' main responsibilities include reviewing risks related to all areas within their purview, coordinating the development of risk treatment plans and monitoring their implementation, and deciding on when to escalate risks⁶. The risk owners are assisted by *risk management focal points*.

Risk management focal points

4.4.8. Risk management focal points are staff members responsible for assisting the risk owners in discharging their responsibilities. The focal points are the contact for risk management issues, they facilitate risk assessments, maintain risk registers and handle risk reporting.

4.4.9. Risk management focal points are designated by the risk owners. In the field these focal points would typically be the deputy representatives, assistant representatives responsible for programmes or operations, senior programme officers, or other senior staff with direct planning and programme execution responsibilities.

4.4.10. In particularly large operations it may be warranted to have risk management focal points also at sub-office level, supporting the risk management focal point at the country level. For small country

⁶ In situations when a risk owner is unable to manage a particular risk, she/he can escalate the risk to the next level. For example, in case of a country Representative this would be escalating the risk treatment to the regional representative or the respective Bureau Director as appropriate.

operations covered by a regional office, one risk management focal point at the regional office could be sufficient. These choices are left to the Representatives.

4.4.11. The risk management focal point function at Headquarters will vary between entities, depending on their size and structure.

5. Terms and definitions

Attached **Annex A** to this policy lists risk categories to be used in all country and Headquarters entity risk registers. These are primarily intended for grouping similar risks into distinct categories for trend analysis. They also serve as a useful common reference for identifying areas for inclusion in the risk assessments. Attached **Annex B** to this policy provides the terms and definitions related to risk management.

6. References

This policy and associated instructions and procedures should be read in conjunction with specific guidance on relevant subjects. List of relevant documents is accessible through the ERM page on [UNHCR-net](#).

7. Monitoring and compliance

It is mandatory to conduct or update risk assessment on time for detailed planning and budgeting for the following year. Ad hoc risk assessments are also compulsory for particularly large or complex projects – to be determined on a case-by-case basis by the risk owners. Ad hoc risk assessments of large-scale projects implemented by Headquarters units can be requested by the senior management at any time and will be facilitated by the CRO. The compliance with this policy shall be monitored by the DHC, supported by the ERM unit.

8. Dates

This policy comes into force on 1 August 2014. It will be reviewed and updated as necessary. The next scheduled review shall be conducted no later than 30 June 2017.

9. Contact

The contact for this policy is the Chief Risk Officer, reachable at HQERM@unhcr.org.

10. History

This is the first approved version of policy for Enterprise Risk Management in UNHCR.

Policy for *Enterprise Risk Management* in UNHCR

UNHCR Risk Categories

Category	Description
1. Institutional	
1.1. Long-term vision	Risks in activities that focus on long-term organizational objectives and decisions related to long-term strategic concerns.
1.2. Strategic positioning	Risks related to how UNHCR is positioned among other humanitarian actors.
1.3. Donor relations	Risks in interactions between UNHCR and its strategic donors. It includes activities such as fundraising, communications, and terms of donations such as earmarked contributions.
1.4. Media relations	Risks related to relations and communications with international media, managing perceptions of UNHCR`s mandate and actions.
1.5 UN/Interagency relations	Risks in strategic relations, communications and cooperation with the UN and/or its specialized agencies.
1.6. Strategic planning, resource allocation and management	Risks related to identifying how UNHCR`s programs will be accomplished and how resources will be allocated accordingly. This category includes risks to planning strategies amid fluctuating contributions, the annual planning and budgeting process and to the management of financial and human resources.
1.7. Organizational emergency preparedness and response	Risks involved with UNHCR`s timely and effective response to emergencies and crisis. It also includes risks in contingency planning and business continuity in anticipation of external events such as emerging conflicts, cultural shifts, natural disasters, and economic hardships.
1.8. Organizational management	Risks in the management of the organizational structure and development, the distribution of accountabilities, responsibilities and authorities on the strategic level and management of change in UNHCR.
1.9. Other institutional	Any other institutional risk not covered above.

Category	Description
2. Management and support	
2.1. Leadership and management	Risks involved with setting a tone and maintaining a foundation that promotes fairness, productivity, good communications within the operation, fluency amid organizational changes, and positive work environment. Risks related to organizational development, the operation's attitude towards change, knowledge management, and succession planning are also included.
2.2. Oversight, accountability, and ethics	Risks in performance oversight and accountabilities, compliance with the UNHCR code of conduct, legal compliance, and ethical concerns such as fraud. Risks due to non-compliance with rules and regulations.
2.3. Planning and resource allocation	Risks related to determining program priorities, setting objectives, specifying actions and allocating corresponding resources in various sectors of the operation.
2.4. Program monitoring and evaluation	Risks in monitoring and evaluation of any programs using UNHCR support with relation to efficiency, timeliness of delivery, modalities following agreed rules and regulations and the programs' impact on the set objectives.
2.5. Implementing Partnership Management	Risks related to the management of implementing partnerships such as partner selection, communications, contracting terms, oversight and performance evaluation.
2.6. Interagency and partner coordination	Risks in tactical activities that involve UNHCR working cooperatively with other UN agencies and partners (excluding implementing partners).
2.7. External relations and public information	Risks in to relations and communications with local and/or international media about the operation's goals, objectives, programs and any activities.
2.8. Emergency preparedness and response	Risks related to the operation's timely and effective response to emergencies and crisis, including but not limited to operational and inter-agency contingency planning.
2.9. Financial tracking, reporting, and controls	Risks in how financial assets, including contributions and cash, are used, tracked, reported upon, and controlled within the operation.
2.10. Human resources	Risks related to all aspects of human resource management including topics such as staffing arrangements, payroll, advancements, staff development, benefits, and employee welfare.
2.11. Security and staff safety	Risks in keeping staff members and UNHCR assets, such as buildings and vehicles, physically secure and safe from harm. It includes security and safety risks associated with natural and man-made disasters.
2.12. Supply and asset management	Risks related to the procurement, logistics, and management of supplies and other assets.
2.13. Information and communication technology	Risks related to the failure of information technology and communication, including ICT infrastructure, equipment, systems, and data protection.
2.14. Other management and support	Any other management and support risk not covered above.

Category	Description
3. Operations / Implementation	
3.1. Beneficiary selection and vulnerability assessment	Risks in registration and status determination of persons of concern, the process of beneficiary selection for UNHCR`s activities and programmes as well as needs and vulnerability assessments.
3.2. Fair protection process and documentation	Risks related to ensuring that persons of concern are treated fairly, efficiently and without discrimination when seeking protection and that they receive adequate documentation.
3.3. Security from violence and exploitation	Risks related to intensifying efforts to ensure a safe and secure environment for persons of concern, including protection from violence and exploitation, in particular discrimination, sexual and gender-based violence and child recruitment.
3.4. Basic needs and services	Risks in ensuring provision of basic needs and essential services for persons of concern without discrimination, including but not limited to nutrition, health care, shelter, sanitation and hygiene, education and livelihoods support.
3.5. Communication with POCs / Mass information	Risks related to communication and information sharing with persons of concern on any level to facilitate access the assistance and protection they are entitled to.
3.6. Community based approach and community services	Risks in promoting community participation and self-reliance to help persons of concern live constructive lives.
3.7. Durable solutions	Risks related to intensifying efforts and gaining sustained support to find durable solutions for persons of concern.
3.8. Host community relations	Risks related to relations between UNHCR and non-government stakeholders including citizens, businesses, local organizations, and others who comprise the community where UNHCR work is performed.
3.9. Government relations	Risks related to relations and communications with government entities on local, country, and/or regional levels.
3.10. Capacity building	Risks in working with government entities, NGOs, communities of the local society to facilitate the successes of programs directed towards UNHCR`s persons of concern, to promote good practices and to enhance the abilities that will allow them to achieve measurable and sustainable results.
3.11. Advocacy for protection and solutions	Risks in working with government entities, NGOs, communities of the local society to advocate for asylum space and enhancement of processes related to the protection of persons of concern.
3.12. Resource mobilization	Risks related to activities towards raising different types of support for UNHCR`s programs and establishing good working relationships with local donors and supporters.
3.13. Other operations / implementation	Any other operations / implementation risk not covered above.

Policy for *Enterprise Risk Management* in UNHCRTerms and Definitions

Term	Definition
Enterprise Risk Management	A term which describes a comprehensive and integrated framework for managing risk at all levels within an organization. Also referred to as organization-wide risk management.
Impact	<p>Result or effect of an event. There may be a range of possible impacts associated with an event. The impact of an event on objectives can be positive or negative. For rating purposes, negative impact rating ranges from <i>insignificant</i> to <i>disastrous</i> as follows:</p> <ul style="list-style-type: none"> • Insignificant: main objectives can be achieved with small obstacles to overcome. • Minor: main objectives can be achieved with manageable obstacles possibly taking up some time and resources. • Moderate: main objectives can be achieved, but not as well as planned and/or extra time and resources will be required. • Major: the achievement of main objectives will be hindered, considerable extra time and resources will be required, and/or the operation, Headquarters unit or organization as a whole will be negatively impacted. • Disastrous: main objectives will not be achieved, effectiveness will be substantially disrupted, and/or the standing and position of operation, Headquarters unit or the organization could be seriously undermined.
Likelihood	<p>The possibility of an event occurring. For rating purposes, likelihood rating ranges from <i>very low</i> to <i>very high</i> as follows:</p> <ul style="list-style-type: none"> • Very low: barely likely to occur. • Low: very unlikely in the next one year, but possible in the longer term. • Medium: possible in the next one year, and/or reasonably likely in the longer term. • High: likely in the next year and/or very likely in the longer term. • Very high: Very likely in the next year and/or almost certain in the longer term.
Likelihood-Impact Grid	Tool for ranking and displaying risks by defining ranges for likelihood and impact.
Opportunity	The possibility that an event will occur and positively affect the achievement of objectives.
Proactive Risk Treatment	A systematic reduction in the extent of exposure to a risk and/or the likelihood of its occurrence.
Reactive Risk Treatment	Predetermined actions that are executed when a risk occurs to minimize the extent of the risk's impact.

Term	Definition
Risk	An uncertain event or condition that, if it occurs, has a positive or negative effect on objectives.
Risk Acceptance	Informed decision to take a particular risk. Risk acceptance can occur without risk treatment or during the process of risk treatment. Accepted risks are subject to monitoring and review.
Risk Analysis	Process to comprehend the nature of risk and to determine the level of risk. Risk analysis provides the basis for risk evaluation and decisions about risk treatment.
Risk Assessment	Overall process of risk identification, risk analysis and risk evaluation.
Risk Category	Risk category is primarily intended for grouping similar risks into distinct categories for trend analysis. They also serve as a useful reference for identifying areas for inclusion in the risk assessments.
Risk Escalation	The formal process of involving another level of the organization to help with risk treatment.
Risk Evaluation	Process of comparing the results of risk analysis with risk criteria to determine whether the risk and/or its magnitude are acceptable or tolerable. Risk evaluation assists in the decision about risk treatment.
Risk Identification	Process of finding, recognizing and describing risks. Risk identification involves the identification of risk sources, events, their causes and their potential consequences. Risk identification can involve historical data, theoretical analysis, informed and expert opinions, and stakeholder's needs.
Risk Management	The coordinated activities to direct and control an organization with respect to risk.
Risk Management Focal Point	Staff member responsible for assisting the risk owner in their risk management responsibilities. A risk management focal point is dedicated to conduct activities (risk workshops, reporting, etc.) related to risk management at their respective offices.
Risk Management Process	Systematic application of management policies, procedures and practices to the activities of communicating, consulting, establishing the context, and identifying, analysing, evaluating, treating, monitoring and reviewing risk.
Risk Mitigation	See <i>Risk Treatment</i>
Risk Owner	Person or entity with the accountability and authority to manage a risk.
Risk Register	Record of information about identified risks.
Risk Review	A periodic meeting during which staff members review and modify risk information. Risk Reviews are often scheduled as an agenda item for standing meetings. Also referred to as a Risk Review Session.
Risk Statement	A structured statement of a risk. The ERM meta-language for risk statements at UNHCR is as follows: If (cause), then (risk event), resulting in (effect on objectives).

Term	Definition
Risk Treatment	<p>Also referred to as <i>risk mitigation</i>.</p> <p>Process to modify risk. Risk treatment typically includes one or more of these approaches:</p> <ul style="list-style-type: none"> • avoiding the activity in which the risk has manifested itself • enhancing procedures to better control or avoid the risk • taking actions to lower the likelihood of the risk occurring • taking actions to lower the impact of the risk should it occur • transferring the risk to another entity or location • accepting the risk in its current state and maintaining a reactive risk treatment plan that is ready for execution if the risk occurs <p>Related: <i>Risk Treatment Plan, Proactive Risk Treatment, and Reactive Risk Treatment</i></p>
Risk Treatment Plan	<p>A risk treatment plan is the immediate output of the risk assessment. It defines how each risk is to be handled. A risk treatment plan typically consists of both <i>proactive risk treatment</i> activities and <i>reactive risk treatment</i> activities, as well as risk owners and due dates.</p>
Risk Workshop	<p>A risk workshop is a formal, facilitated meeting during which new risks are identified and assessed, and existing risks are revisited. The output of the meeting is the development or refresh of a risk register.</p>
Root Cause Analysis	<p>An analytical technique used to determine the basic underlying reason that causes a variance or a defect or a risk. A root cause may underlie more than one variance of defect or risk.</p>
Stakeholder	<p>Person or organization that can affect, be affected by, or perceive themselves to be affected by a decision or activity.</p>
Threat	<p>A condition or situation unfavourable to achieving objectives, a negative set of circumstances, a risk that will have a negative impact on an objective if it occurs, or a possibility for negative changes.</p> <p>Contrast with <i>Opportunity</i>.</p>
Trigger Event	<p>Circumstance under which a risk strategy or risk action will be invoked.</p>

Policy for *Enterprise Risk Management* in UNHCR

Accountabilities, responsibilities and authorities of the Enterprise Risk Management unit

Reporting directly to the Deputy High Commissioner, the Enterprise Risk Management (ERM) unit supports managers at all levels of the organization in discharging their responsibilities with respect to UNHCR's policy for Enterprise Risk Management.

The unit is complemented by a network of risk management focal points across the organization as decentralized competence and coordination capacity for risk management in the field and at Headquarters. As appropriate, the unit provides updates on the implementation and functioning of risk management to internal and external stakeholders.

Accountabilities

- UNHCR has a clear framework and direction for Enterprise Risk Management.
- Risk Management activities are sustainably embedded in UNHCR operations (both in the field and at Headquarters) and are mainstreamed into key organisational processes.
- UNHCR corporate and strategic risk registers are maintained in line with the ERM policy.

Responsibilities

- Maintain and refine a comprehensive ERM framework across the organization to identify, assess, manage and monitor risks, supporting the HC and management in their efforts to embed and sustain risk management activities in daily operations.
- Promote the application of sound risk management processes and provide oversight for the implementation of related activities within UNHCR, proposing and obtaining an overall vision and direction for Enterprise Risk Management.
- Support the dissemination of information and best practices with regard to risk management principles and measures across the organization, and develop as appropriate, communication and training programs, to enhance UNHCR's risk management culture. Analyse and channel organization-wide risk information.
- Maintain the Corporate and Strategic Risk Registers and facilitate the performance of the risk assessment through assistance in interviews, development and review of questionnaires, and facilitation of workshops, as needed.
- Develop and maintain the methodology and practices related to the implementation of risk management activities, including the administration of the tools, training, reporting and other related requirements, and supporting the risk management focal points in the conduct of appropriate risk and treatment monitoring activities.
- Provide the necessary expertise and resources to support the different steps in the risk management process, including assistance and advice in the design, assessment, and monitoring of appropriate risk treatment. Perform trend analysis and communicate findings and conclusions to the senior management.

- Undertake analysis and report on risk management, including a consolidated risk assessment report for UNHCR for distribution to the HC, SMC and ExCom, as required.
- Implement and maintain the necessary systems and data management capabilities to properly support risk management.
- On request, provide updates on the implementation and functioning of ERM to the IAOC, ExCom, the Board of Auditors, and the internal auditors.

Authorities

- Disseminate information and best practices with regard to risk management principles and measures.
- Coordinate the inputs for the corporate risk register from field operations and Headquarters units.
- Develop and disseminate internal risk management reports.
- Represent UNHCR in the UN risk management network meetings.
- Develop appropriate ERM related communication and training programmes.
- Act as Secretary of the SMC meetings on risk management, organize the meetings and provide updates on implementation and/or functioning of ERM.