

## GWPO RISK MANAGEMENT REGISTER OCTOBER 2011

AREA	RISK	PR OB	IM PA CT	MITIGATION	MONITORING/RECENT ACTIVITIES	RESP. (Secr. risk focal point in bold)
<b>1. Strategic</b>	1.1 Loss of position or 'niche' in global context due to loss of relevance (perceived failure of IWRM approach, perceived failure to go from theory to action, loss of interest in 'water resources management'), niche not defined clearly enough or emergence of new players, failure to reach out of the "water box".	L	H	<ul style="list-style-type: none"> <li>• SC establishes the Mission and Strategic Directions, approving the 5 year strategies and annual Work Plans consistent with the Statutes.</li> <li>• Show how IWRM helps to meet emerging challenges to Water security. Continue advocacy of IWRM and development of the approach.</li> </ul>	<ol style="list-style-type: none"> <li>1. Greater clarity about the programme management cycle.</li> <li>2. The format for the 2011 annual work plan has been more closely linked to the 2009-2013 Strategy.</li> <li>3. Goal oriented reporting on outcomes has been initiated with the 2009 annual report.</li> </ol>	SC, Chair, <b>ES</b> , HNO, TC Chair,
	1.2 Failure to make best use of Intellectual Property (e.g. trademark and copyright) or to harness it for the strategic development of GWP or to secure development impact (knowledge capture, management, dissemination etc)	L	M	<ul style="list-style-type: none"> <li>• Regular communications strategic review of Knowledge Management mechanisms by ES, Technical Committee chair and Head of Comms in consultation with RWPs, with particular attention to the strategy of development and spreading of the ToolBox and Technical Committee papers.</li> </ul>	Knowledge Chain developed and its implementation needs to be ensured.	Chair, <b>ES</b> , TC Chair, HoC, HNO, NOs, RWPs, CWP
	1.3 Loss of Reputation due to failures in financial, administrative, programme or other management, dispute with other organisation(s) or because of controversy/scandal	L	H	<p>Protection of the GWP reputation through</p> <ul style="list-style-type: none"> <li>• Effective organisational, project and relationship management, see section 4.</li> <li>• Communications Strategy and controls in place regarding 'statements', policy on strategic alliances and organisational neutrality, financial and HR policies enforced.</li> </ul>	<ol style="list-style-type: none"> <li>1. On-going review of the Conditions for Accreditation aims at strengthening organisational and relationship management.</li> <li>2. Mitigation through hosts has been strengthened with improved agreements and dialogue with hosts</li> </ol>	SC; <b>ES</b> , TC Chair; Unit Heads, Hosts, RWPs, CWP

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				<ul style="list-style-type: none"> <li>Mitigation through hosts see annex 4.1.</li> </ul>	on responsibilities. This has been implemented as host agreements have been renewed, i.e. 8 hosts/RWPs in 2009/2010 and 4 currently under way. On-going monitoring through financial reviews and audits.	
	1.4 Collapse of international regimes, terrorist attacks, global climate catastrophe	L	H	<ul style="list-style-type: none"> <li>Careful monitoring of situation by ES and prompt update of SC for appropriate action</li> </ul>		<b>ES, SC</b>
	1.5 Major disruption to operations e.g. suspension of international air travel due to terrorist or other threat at regional and national levels	L	M	<ul style="list-style-type: none"> <li>Develop robust mechanisms of operation via long distance communications, in consultation with RWPs</li> <li>Ensure good support for secretariat staff on travel through travel agency.</li> </ul>	<ol style="list-style-type: none"> <li>Compensation of GWP carbon emission undertaken.</li> <li>Easy availability of alternative means of communication, e.g. sms, e-mail, skype. Looking at developing video conferencing facilities.</li> <li>Initiate internal discussion on plan to reduce carbon emissions in the Secretariat.</li> </ol>	<b>ES</b> ; Unit Heads, RWPs
<b>2. Fundraising</b>	2.1. Collapse of support for global 'network of partnerships', and shift in donor loyalty. Loss of position and donor financial support due to	L	H	<ul style="list-style-type: none"> <li>Effective Strategy reflecting needs and priorities</li> <li>Result-oriented work plans</li> <li>Strategic dialogue with donors</li> </ul>	<ol style="list-style-type: none"> <li>The SC is looking at options for change to improve the financial sustainability.</li> <li>A goal oriented reporting on</li> </ol>	SC; Chair; <b>ES</b> ; HNO; HoC, NOs

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	failure to demonstrate sustainability and viability of GWP 'partnerships' in support of governments in improving water resources management			<ul style="list-style-type: none"> <li>• Effective Fundraising strategy</li> <li>• Good Communications</li> <li>• Informative progress and outcome Reporting.</li> <li>• Reserve Fund available to cover last-resort solution to close GWPO.</li> </ul>	outcomes has been initiated with the 2009 annual report.	
	2.2 Sudden loss of support of one of the key core donors	M	H	<ul style="list-style-type: none"> <li>• Maintain strategic dialogue with donors individually and collectively.</li> <li>• Monitor donors' development policy revisions to influence emerging donor funding strategies and policy directions.</li> <li>• Review funding/business modalities</li> <li>• Written commitments prior to SC budget approval.</li> <li>• Keep as much flexibility as possible in committing revenues to cope with a budget reduction without jeopardizing the institutional continuity of the organisation.</li> </ul>	<ol style="list-style-type: none"> <li>1. Currently Dutch/DIFD risks as no written commitments yet. Four other donor agreements expire end 2011.</li> <li>2. Be proactive to strive for early commitments.</li> <li>3. Strive for multiyear agreements.</li> <li>4. Long term strategy to broaden the base of donors – Austria have now come on board as a new donor in 2011.</li> </ol>	<b>ES, HoFA</b>
	2.3 Contraction in availability of ODA resources and/or increased earmarking of funds.	M	H	<ul style="list-style-type: none"> <li>• Pro active diversified fundraising initiatives, within fundraising strategy approved by SC in work plan</li> <li>• GWP continues on the DAC list as an ODA recipient</li> </ul>	Expansion of available adaptation funding needs to be monitored for opportunities to support WRM	<b>ES, AFSC</b>
	2.4 Regional or Country fundraising: - Lack of interest among donors to	L	M	<ul style="list-style-type: none"> <li>• Maintain dialogue with donors globally to identify opportunities for regions and countries. Capitalise on these.</li> </ul>	<ol style="list-style-type: none"> <li>1. Increased focus on programme/project preparation.</li> <li>2. Reporting of local funds still an</li> </ol>	<b>ES, RWPs, CWPs, HNO, NOs,</b>

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	<p>fund GWP/ fundraising efforts not successful</p> <ul style="list-style-type: none"> <li>- not done or not owned by RWP or CWP;</li> <li>- more funds raised than can be effectively managed.</li> </ul>			<ul style="list-style-type: none"> <li>• Focus on capacity building at RWP/CWP level – increased focus on programme/project preparation.</li> <li>• Analysing perceived bottlenecks and identify new models for funding alternatives. Maintain dialogue with regions and countries to be aware of their challenges and support proposal preparation where requested.</li> <li>• Ensure final responsibility and ownership of locally raised funds at local level</li> <li>• Legal registration at RWP/CWP level for fundraising where relevant.</li> </ul>	issue that needs to be addressed and requires increased emphasis.	LO
	2.5 Failure to meet global donor requirements by GWPO and/or GWP network	L	L	<ul style="list-style-type: none"> <li>• Semi-annual FPG meetings and good communication with donors</li> <li>• Ensure donor “buy in” to strategy and conditions corresponding to what we can meet.</li> <li>• Ensure awareness of donor requirements with GWPO, RWP and hosts</li> </ul>	<p>1.A goal oriented reporting on outcomes has been initiated with the 2009 annual report and we are moving towards reporting more on impact.</p> <p>2.New core donor agreements to be reviewed and if necessary Host agreements/financial regulations need revision. (Restricted funding requires special arrangements.)</p> <p>Probability for core is L Probability for restricted M</p>	<b>ES; HNO; NOs; HoFA; AFSC; LO, RWPs, Hosts</b>

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<b>3. Institutional</b>	3.1 The increasing complexity of the organisation, the network, the RWPs, the CWPs and sub-national partnerships. Tendencies of organisational dissipation irrespective of theoretical good governance. Deficiencies in governance structures.	<b>M</b>	<b>M</b>	<ul style="list-style-type: none"> <li>• Regularly review the organisational approach and the related governance instruments (awareness raising and knowledge management vis a vis programmes at local level)</li> <li>• On-going strengthening of the governance structures at regional level. Secretariat works together with RWPs, CWPs to ensure Conditions of Accreditation and Policy on Partners are adhered to.</li> </ul>	<p>Organisational complexities identified in three main relationships:</p> <p>1. Relationships to Partners: Intention of CP meeting vote highlighted the lack of participation in governance/legitimacy and a need to ensure adherence to policy on partners and adequate partners' database</p> <p>2. Relationships to RWPs: There are perceived weaknesses in the role of the RWPs in GWP and their formal link to GWPO, e.g. what is the formal position of the Regional meeting? The Conditions for accreditation are being reviewed to be in line with current practices and more clear and also the monitoring of adherence is discussed.</p> <p>3. Relationships to CWPs: The Conditions of Accreditation are being reviewed with particular focus on CWPs and the accreditation situation for CWPs to receive increased attention.</p>	<b>ES, Unit Heads and SC</b>

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	3.2 Registration of RWPs/CWPs as legal entities	M	M	<ul style="list-style-type: none"> <li>• Ensure that RWP/CWP undertakes proper investigation of the impacts of legal registration and that it does not prevent adherence to the Conditions of Accreditation and Policy on Partners.</li> <li>• The Secretariat encourages using a host for financial management, even if registered as a legal entity. If the legal entity wishes to manage GWPO core funding (i.e. without a host), it has to meet the Guidelines for selection of Host Institutions. In the same way as for hosts, restricted funding requires additional review.</li> <li>• Be consistent in the message that local donors must assess themselves if they consider the legal entity to have capacity to manage funds.</li> <li>• NOs to monitor proposals.</li> </ul>	Legal registration is in some areas appropriate as a means to overcome bottlenecks for fundraising. It however comes with risks, why this new risk has been added. The proposed Conditions for Accreditation contains clarifications in this respect too.	
	3.3 Misuse of GWP logo/name and proliferation of water organisations - in particular those using GW/global water/water partnership - could cause confusion.	L	M	<ul style="list-style-type: none"> <li>• Policy on use of logo.</li> <li>• Monitor and follow up any misuse</li> <li>• Ensure formal protection of the brand to the extent possible/feasible and on-going review of brand appearance.</li> <li>• Monitor entities called “global water”. (linked to 1.2)</li> </ul>	<p>1.GWP name, logo and abbreviation have been communicated to WIPO for an Article 6ter protection by all WTO states. Countries may object until 31 March 2012.</p> <p>2.The approach to brand “GWP” and not the generic “water partnership” has been reconfirmed and regions seem to consistently use “GWP region”. When it comes to countries most follow this and the</p>	ES, HNO, NO, <b>HoC</b> , LO

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					Secretariat is in dialogue with the remaining.	
	3.4 Rotation of Host Institutions to new country – risks of losing institutional memory and still in activities due to search for new host.	L	M	<ul style="list-style-type: none"> <li>Discourage systematic rotation.</li> </ul>	1. Ongoing discussion in concerned regions has led to improved situation. 2. The proposed Conditions for Accreditation include an amendment in this respect and clarify when a move can be justified.	<b>HNO</b> ; NOs, RWP
	3.5 Capture of GWPO, RWP or CWP by one national group or interest group	M	M	<ul style="list-style-type: none"> <li>Application of Conditions of Accreditation &amp; RWP/CWP Governance</li> </ul>	Monitoring of Conditions for Accreditation is being discussed.	SP, ES, <b>HNO</b> ; NOs, RWP, CWP
	3.6 Rapid rotation of Chairs resulting in weak governance	M	M	<ul style="list-style-type: none"> <li>Enter into dialogue to discourage too quick rotation of the chair, where governance is impacted by such arrangements.</li> </ul>	New risk added following feedback from SC Nov 2010. Alternative arrangements are being looked into, where governance is impacted.	ES, <b>HNO</b> ; NOs, RWP
	3.6 Breakdown of relationships with strategic alliances	L	M	<ul style="list-style-type: none"> <li>Ensure strategic dialogue</li> <li>Formalisation of relationships in action-oriented MoUs or letters of agreement to frame expectations.</li> </ul>		<b>ES</b>
	3.7 Major electronic communications failure, failure of	L	M	<ul style="list-style-type: none"> <li>IT Policy in place</li> <li>Telecommunications servers are located in</li> </ul>	1. IT policy is being drafted. 2. Partners' database, decisions'	ES; HNO; <b>HoC</b>

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	global website, Partners database, ToolBox. Loss of records and information (IT and paper based), loss of data, inability to access data due to corruption or malfunction, SPAM or virus attack , solar flares 2012.			<p>various different locations around the world, which minimises the risks</p> <ul style="list-style-type: none"> <li>• IT and Management information systems support, regular maintenance, equipment replacement schedules, training, guidelines in place re system access etc.</li> <li>• Ensure backup of key documents and enforcement of record keeping via document management system</li> <li>• HoC to monitor compliance by all staff.</li> </ul>	<p>archive, website, Toolbox and other systems are hosted at different servers and different locations and providers have systems for security in place.</p> <p>3. Migration to new platform in January 2011 has increased security of data.</p>	
<b>4. Programmatic</b>	4.1 (a) Poor quality of GWPO publications, reports and/or other products including ToolBox contents and website information. (b) Poor quality of GWP Regional/Country publications, reports or other products	L	H	<ul style="list-style-type: none"> <li>• GWPO Quality control procedures in place and followed</li> <li>• Regional Communication officers and GWPO Comms unit to apply quality control procedures</li> <li>• Communications community and meetings to be maintained</li> </ul>	<ol style="list-style-type: none"> <li>1. Technical Committee should start working on ToolBox.</li> <li>2. New website is in place and enhances the information flow and perception of GWP. Sub-sites can be used by RWPs ensuring conformity with graphical profile.</li> <li>3. All social media forums are moderated.</li> <li>4. Annual meeting of regional comms officers ensures training and greater alignment.</li> </ol>	<b>ES</b> ; TC Chair; HNO; NOs; HoC; RWPs; CWPs
	4.2 Programme or Project management failures, meet narrative	L	M	<ul style="list-style-type: none"> <li>• Programmatic quality to be ensured and monitored through a number of activities e.g.</li> </ul>	<ol style="list-style-type: none"> <li>1. Strengthening the programme cycle in progress. Look at how</li> </ol>	RWPs, <b>ES</b> , <b>HNO</b> ; NOs



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	reporting requirements and deadlines, (regional, country and or global) ability to handle programmes and related reputational risks.			<p>work plans, reports and strengthening the programme cycle.</p> <ul style="list-style-type: none"> <li>• Hiring of appropriate staff for the full programme period including reporting time and training of all staff, development and implementation of appropriate procedures, secure clear distribution of responsibilities, regular monitoring and update</li> <li>• Stay tuned on local funding proposals as well as locally funded programmes implementation and increase involvement in case of risk of project management failures.</li> <li>• Programme accountability of RWP SCs to be monitored by the NOs.</li> <li>• Risk management to be included in each programme/project proposal.</li> </ul>	<p>monitoring of governance feeds into this process or other monitoring.</p> <p>2.Implementation of the knowledge chain providing improved technical support.</p> <p>3.Extended mitigation necessary in case of restricted funding.</p>	
	4.3 Negligence or bad performance from consultants resulting in damages and/or expenditures to GWPO/GWP.	L	M	<ul style="list-style-type: none"> <li>• Ensure that the ToR and selection criteria are right for the task</li> <li>• Mitigation through good selection of consultants. Ensure clause on professional indemnity in agreements.</li> </ul>	Contract templates and framework agreements have been strengthened.	<b>ES, HNO;</b> NOs; RWP; Hosts
<b>5. Administrative (including Financial and</b>	5.1 GWPO Health and Safety obligations not being met. Security of GWPO office premises and assets, risk of break ins, vandalism,	L	L	<ul style="list-style-type: none"> <li>• Health and Safety officer appointed and trained. Staff induction on safety matters and 1<sup>st</sup> aid training.</li> <li>• Alarms, security services, staff training on alarms</li> </ul>		<b>ES; HoFA;</b> OSMHRO

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HR)	theft, fire.			and fire safety, appropriate insurances in place.		
	5.2 Office rent and related risks: - change in commitment from Swedish MFA - costs of major changes in office arrangements due to long term lease - cost increase if sublease to other organisations cease. - change of character of relation with SIWI - disruption and costs in case of future need to relocate office	L	M	<ul style="list-style-type: none"> <li>• Ongoing dialogue and agreement with MoFA on costs and lease period.</li> <li>• Monitor sub lease relationships and ensure long term intentions.</li> <li>• Strategic dialogue with SIWI</li> <li>• Good management of any future relocation</li> </ul>	1. On-going discussions with MFA to include that the Swedish government covers office costs in the Headquarters Agreement. 2. SIWI and GWPO relations are being formalised through agreements.	ES; <b>HoFA</b> ;
	5.3 Sweden discontinues or substantially changes its support as Host Government to GWPO	L	H	<ul style="list-style-type: none"> <li>• Effective dialogue with Swedish Ministry of Foreign Affairs</li> </ul>	Revision of the Headquarters Agreement on-going. Strengthened support through new office arrangement.	Chair; <b>ES</b> ; HoFA, LO
	5.4 Deficiencies in and non-compliance with internationally accepted management and accounting standards. Weakness in GWPO general financial management and poor internal controls, failure to prevent waste, inefficiency, misuse.	L	H / M	<ul style="list-style-type: none"> <li>• Clear guidelines on financial management, policy on extra-budgetary approvals, decisions, procurement policy etc.</li> <li>• Appropriate, clear and transparent levels of control and delegation of authority.</li> <li>• Accounting and financial records maintained and updated regularly to ensure accuracy and timeliness in submission of GWPO internal and external reports</li> </ul>	Impact H on reputational impact but M on financial impact.	ES, HNO; <b>HoFA</b> ; AFSC

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				<ul style="list-style-type: none"> <li>• Ensure that regional hosts are selected well and aware of responsibility for financial and administrative requirements.</li> <li>• Global and local auditors to secure that financial procedures are duly implemented and specific donor requirements are complied with.</li> </ul>		
	5.5 RWP budget, changes not following proper procedures	M	L	<ul style="list-style-type: none"> <li>• Ensure that budget changes are approved and host institutions aware of which budget to follow.</li> </ul>	Review of the financial guidelines in progress.	ES, <b>HNO</b> , NO, RWP
	5.6 Risks relating to operation through host institutions: - Financial management - Administrative management, i.e. HR, procurement, contracts.	<b>M</b>	<b>M</b>	See annex.	See annex.	
	5.7 GWPO Human Resources: Failures in GWPO HR management and procedures, causing - lack of commitment and non-fulfilment of set work plans and goals. - insufficient staffing levels causing too high work loads - staff not having the right skills, competence or expertise - staff morale causing underperformance	L	M	<ul style="list-style-type: none"> <li>• Early succession planning, clarity on which competencies are needed, well thought through job descriptions to ensure hiring of right competence.</li> <li>• Solid recruitment processes in place ensuring appropriate staffing, with the appropriate competencies, expertise and commitment. Staff on parental leave covered by short term replacement.</li> <li>• Ensure work climate that allows open discussion on work climate, work conditions and staff policies, both individually and with Staff</li> </ul>	<ol style="list-style-type: none"> <li>1.HR administration - semi-annual meeting to review and ensure proper fulfilment of HR functions. Update job descriptions accordingly and review staff related rules where the former position HoHR had a role.</li> <li>2.How to manage staff absence due to long term sick leave?</li> <li>3.Undertake 5-year review on salary policy updates.</li> </ol>	<b>ES</b> ; Heads of Units;

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				Association <ul style="list-style-type: none"> <li>• Performance management process in place with frequent follow ups, including training and development plans.</li> </ul>		
	5.8 Travel to high risk countries and frequent travel increasing exposure to traffic and flight accidents.	L	M	<ul style="list-style-type: none"> <li>• The GWPO travel agency will in accordance with the GWPO Travel Policy only propose airlines with acceptable safety standards.</li> <li>• Travel security and Health advisories to be checked for the destination as a requirement for travel authorisation</li> <li>• Adequate travel, medical and life insurance cover.</li> </ul>	Review of travel policy in progress, including travel advisories.	ES;; <b>HoFA</b> , OSMHRO
	5.9 Exposure to disease as a result of frequent travel and/or travel to tropical or other countries with health risks (e.g. Malaria; Swine Flue)	M	L	<ul style="list-style-type: none"> <li>• Travel Policy includes requirements for immunisation, appropriate prophylactic medication, and advisories for risk awareness.</li> <li>• Provide adequate travel, medical and life insurance cover.</li> </ul>	Revision of travel policy ongoing.	ES;; <b>HoFA</b> , OSMHRO
	5.10 Staff turnover - non-renewal of Contract - early departure before end of Contract - limited internal mobility/promotional prospects	M	M /L	<ul style="list-style-type: none"> <li>• Transparent strategic staff planning</li> <li>• Three year contracts as standard unless specific funding for the position</li> <li>• Renewal process giving at least three months notice for both parties,</li> <li>• Regular discussions with staff about their career plans for early indications for succession planning and hand over.</li> <li>• Clear and transparent discussions on conditions of</li> </ul>	1.Revision of Secretariat structure undertaken in 2010 in order to ensure a more robust and stable structure. 2.Salary review and adjustment are carried out annually.	ES; Unit Heads

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				<p>service at appointment</p> <ul style="list-style-type: none"> <li>• Options available through contracted staff and/or other arrangements to fill gaps</li> <li>• Ensure through HR Policy, Staff Rules and GWP reputation that GWPO is perceived as an attractive employer.</li> </ul>		

## Annex 1

### 4.4 Risks relating to operations through Host Institutions October 2011

Area	Risk	Prob	Im- pact	Mitigation	Monitoring/Current actions	Resp. (Secr. risk focal point in bold)
<b>1. Financial management Host Institutions</b>	1.1 Accounting: Financial requirements/accepted accounting standard not met or reports not provided or of low quality. Inadequate records/transparency	L	M	<ul style="list-style-type: none"> <li>• Ensure good host institutions through selection process.</li> <li>• Inform host about GWPO Financial and Administrative (incl. HR) requirements through Financial Guidelines, selection process, dialogue with host and finance visits.</li> <li>• Follow up through quarterly financial reports and annual audits.</li> <li>• If less than accepted standards indicated – discussions with host and additional external audits and/or finance visits and follow up.</li> <li>• Change of host if no remedy</li> </ul>	Finance regional visits and action lists for monitoring and follow up.	Host, RWPs, HNO, NOs, <b>HoFA</b> , LO
	1.2 Audit: Quality of regional/country audit	L	L	<ul style="list-style-type: none"> <li>• Quality control of regional auditors through GWPO auditor.</li> </ul>	CAF and SEA were requested to change auditors due to less than sufficient quality of audit. IFAC certification or equivalent required.	Hosts, HNO, NOs, <b>HoFA</b> , GWPO auditors
	1.3 Regional/country Audit: Lack of management action to address management letter (ML) and audit observations	L	L	<ul style="list-style-type: none"> <li>• Mitigation through HI selection process.</li> <li>• ML are followed up by the regional auditor and GWPO Finance Team</li> </ul>	GWPO received comments by the HI for all management letters that were produced for the financial year 2009. 2010 ML still to be reviewed.	Hosts, RWPs, HNO, NOs, <b>HoFA</b> , GWPO auditors

## Annex 1

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Area	Risk	Prob	Im- pact	Mitigation	Monitoring/Current actions	Resp. (Secr. risk focal point in bold)
	<p>1.4 Currency:</p> <ul style="list-style-type: none"> <li>- Foreign currency accounts lacking.</li> <li>- Lacking ability to absorb the impact of exchange fluctuation at regional level.</li> <li>- Lacking ability to deal with local regulations on use of foreign currency.</li> </ul>	L	L	<ul style="list-style-type: none"> <li>• Currency regulations reviewed as part of the HI selection process.</li> <li>• Host institutions required to provide a local currency bank account as well as a Euro or USD account</li> <li>• Predictable disbursement schedules and instalments based on cash flow forecast on average 7 times/year (average €29.000/transfer)</li> <li>• Follow up through audits.</li> </ul>		Hosts, HNO, NOs, <b>HoFA</b> , GWPO auditors
	1.5 Budget: Overspending or spending which is not in line with budget	L	L	<ul style="list-style-type: none"> <li>• Ensure that the host is aware of responsibility to not allow spending in excess of budget.</li> <li>• Ensure that host is informed of the approved budget.</li> <li>• Ensure clear delegation of authority at the RWP (regional Statutes?).</li> <li>• RWP to respect the process for amendments of budget.</li> </ul>	Quarterly monitoring of budgets to asses risk of overspending. Clarify who is to have responsibility for providing the approved budget to the host. Expand the budget section in the 2011 Financial Guidelines. Full review of all regional Statutes in process.	RWP, <b>HNO</b> , NOs
	1.6 Transfer of funds by RWPs to CWPs lacking formal agreement regulating the financial and administrative responsibility of the CWP HI	M	L	<ul style="list-style-type: none"> <li>• Regulation in Host Institutions Agreement and follow up.</li> <li>• Audit questionnaire includes a confirmation on CWP agreements.</li> </ul>	SAS and SEA are still in the process of finalising the standard agreements. CWP transfers could be stopped if agreements are not in place.	Hosts, RWPs, HNO, NOs, <b>HoFA</b>

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### 4.4 Risks relating to operations through Host Institutions October 2011

Area	Risk	Prob	Im- pact	Mitigation	Monitoring/Current actions	Resp. (Secr. risk focal point in bold)
	1.7 Damage due to costs incurred not considered eligible by donor on restricted funded programme.	M	M	<ul style="list-style-type: none"> <li>• Regulated in HI Agreements</li> <li>• Clear and by the HI and the RWP/CWP accepted rules for definition of eligible costs</li> <li>• Training GWPO/RWP/CWP/HI staff</li> <li>• ToR for Regional/country audit to include audit of eligibility where needed</li> </ul>	Finance regional visits. Audits.	ES, Hosts, RWPs, HNO, NO, HoFA, LO, GWPO auditors
<b>2. Administrative management Host Institutions</b>	2.1 Human Resources Management: - Poor or inadequate recruitment procedure or selection of personnel. - Poor staff rules of Host Institutions or failure to follow such rules/national legislation including liabilities (damage to host institution and RWP) - Claim of cost coverage from GWPO due to HR liabilities	L	M	<ul style="list-style-type: none"> <li>• Improvement of procedure and selection of Host Institutions as well as contractual regulations. Ensure that best engagement method and recruitment procedures are clear from start.</li> <li>• Clarity on GWPO not being a party to HR agreements in the HIA. Increased awareness of host institution responsibility.</li> </ul>	NO to keep tuned in on HR issues in the regions.	Hosts, RWPs, <b>HNO</b> , NOs, HoFA, LO
	2.2 Procurement: - Poor or inadequate procurement procedure. - Non-observance of procurement methodology and rules.	L	M/L	<ul style="list-style-type: none"> <li>• Mitigation through selection process.</li> </ul>	Need to follow up review of the procurement processes applied in some regions (Med, EAf, CAf). Follow up is made through audit as well as finance visits to hosts.	Hosts, RWPs, HNO, NOs, HoFA, <b>LO</b>



## Annex 1

### 4.4 Risks relating to operations through Host Institutions

#### October 2011

Area	Risk	Prob	Im- pact	Mitigation	Monitoring/Current actions	Resp. (Secr. risk focal point in bold)
					Probability and impact medium in case of restricted funding. Extended mitigation therefore necessary in case of restricted funding.	
<b>4. Reputational risks</b>	4.1 Reputational risk relating to Financial and administrative management of global funds as stated in main registry 1.3.	M	M	<ul style="list-style-type: none"> <li>Mitigation through host selection process.</li> </ul>	Clarification has been included in the renewed host agreements.	Hosts, RWPs, HNO, NOs, <b>HoFA</b> , HoC, LO
	4.2 Reputational risk due to failure to act in case of damaging behaviour from staff and/or consultants.	L	M	<ul style="list-style-type: none"> <li>Keep tuned in on what is going on in the regions and advice the RWP as necessary.</li> <li>Host Agreements require the Hosts to inform GWPO and the RWP if staff is negligent or guilty of misconduct.</li> </ul>		Hosts, RWPs, <b>HNO</b> , NOs, HoFA, HoC, LO
	4.3 Reputational risks related to management of local funds	M	M	<ul style="list-style-type: none"> <li>Clarification in Host Institutions Agreements that RWP and Host Institutions are responsible and accountable for financial and administrative management of locally raised funds.</li> <li>Keep tuned in on what is going on relating to local funds and if necessary get involved to mitigate failures.</li> </ul>	Continued efforts to facilitate regional fundraising whilst ensuring transparent responsibilities and good management needed.	Hosts, RWPs, <b>HNO</b> , NOs, HoFA, HoC, LO

## Annex 1

### 4.4 Risks relating to operations through Host Institutions October 2011

Area	Risk	Prob	Im- pact	Mitigation	Monitoring/Current actions	Resp. (Secr. risk focal point in bold)
<b>5. Other</b>	5.1 Communication: Poor understanding / rules not followed due to language and culture barriers.	M	L	<ul style="list-style-type: none"> <li>• Awareness and GWP being an organisation that adopts diversity and accepts minor risks related to this.</li> <li>• Establish relationships!</li> <li>• Translation of central documents to facilitate local implementation.</li> <li>• The Host institution is required to have an English speaking contact person</li> </ul>		Hosts, RWPs, HNO, NO, <b>HoC</b>
	5.2 Ownership of copyrights – loss of copyright to documents produced with locally raised funds due to lack of legal personality of RWP.	L	L	<ul style="list-style-type: none"> <li>• Ensure that RWP/HI assigns ownership of copyright to GWPO also in local funding agreements to the extent possible.</li> <li>• In case this is not possible provide advice how the RWP/HI should regulate (co-)copyright so that GWP can safeguard free usage of the documents.</li> <li>• Policy on ownership of copyright when RWP has legal personality.</li> </ul>		RWPs, HNO, NOs, <b>HoC</b> , LO