

Summarized ECW Corporate Risk Framework (updated February 2022)

Key:

Impact definitions	Minor	The effect of the risk/issue on the achievement of objectives is minor
	Moderate	The effect of the risk/issue on the achievement of objectives is moderate
	Major	The effect of the risk/issue on the achievement of objectives is major
	Severe	The effect of the risk/issue on the achievement of objectives is severe

Probability definitions	Unlikely	The probability of the risk/issue being realised is unlikely
	Possible	The probability of the risk/issue being realised is possible
	Likely	The probability of the risk/issue being realised is likely
	Very Likely	The probability of the risk/issue being realised is very likely

Inherent and Residual Risk Matrix				
Impact	Probability			
	Unlikely	Possible	Likely	Very Likely
Severe	Medium	High	Very High	Very High
Major	Low	Medium	High	Very High
Moderate	Low	Medium	Medium	High
Minor	Low	Low	Low	Medium

#	Risk description	Risk mitigation	Inherent risk	Residual risk after mitigation
			(Probability/Impact)	
Strategic Support and Partnership				
1	Reduced political and organizational commitment to and confidence in ECW Risk owner: HLSG	High-Level Steering Group (HLSG) members, supported by their respective Executive Committee (ExCom) members, to determine and support overall strategic direction of the Fund, provide political advocacy for ECW and actively participate as members of the ECW movement – including engagement in the 2023-2026 planning cycle and the high-level finance campaign. The ECW Secretariat to continue producing strong results and presenting opportunities for advancing the work of ECW with innovation and dynamic outreach (including through annual reports and the Operational Manual). The ECW Secretariat and Director to continue regular communication and engagement with HLSG and Executive Committee .	High (Likely/ Major)	Medium
2	ECW falls short of resource mobilization target 2019-2022 Risk owner: HLSG	HLSG to actively support resource mobilisation with the support of ExCom and the Secretariat by convincing new potential supporters from the donor and private sector community to join and contribute to the ECW Trust Fund.	High (Likely/ Major)	Medium
3	Donor delays in contributions or donor earmarking limits ability to deliver the Strategic Plan Risk owner: ExCom	ExCom to adhere to contribution timelines and earmarking policies. Secretariat to demonstrate agreed results and appropriate management/risk controls.	Medium (Possible /Major)	Low
Programme Delivery				
4	Conflict and/or political disturbance prevent implementation and/or monitoring of ECW programmes Risk owner: Secretariat	Secretariat to ensure appropriate analysis as part of First Emergency Response (FER)/Multi-Year Resilience Programme (MYRP) selection and design, and appropriate assessments, monitoring and updates during implementation. Secretariat to follow (and support grantees to follow) risk processes and maintain the risk register.	Very High (Likely/ Severe)	High

#	Risk description	Risk mitigation	Inherent risk	Residual risk after mitigation
			(Probability/Impact)	
		Secretariat to work with ExCom and HLSG to support high-level advocacy with the international community and in-country actors as relevant.		
5	The COVID-19 pandemic prevents implementation and/or monitoring of ECW programmes Risk owner: Secretariat	Secretariat to stay apprised of COVID-19 developments in country, to continue monitoring visits and reporting processes, and to oversee and support reprogramming as needed. <i>[Although the COVID-19 pandemic continues to pose some challenges to programme delivery, grantees have developed and applied mitigation measures which have enabled consistent programme implementation with minimal disruption.]</i>	High (Likely/ Major)	Medium
6	ECW – through its Multi-Year Resilience Programmes and Acceleration Facility investments – fails to support a transformative shift Risk owner: Secretariat and ExCom	Secretariat to support new ways of working in ECW investments (e.g., through effective communication, consultation and missions with in-country partners, effective programme design and implementation with a strong focus on country ownership, and ongoing support for programme improvement and learning). In collaboration with ExCom , the Secretariat to ensure the new Strategic Plan 2023-2026 (and associated Results Framework) builds on independent evaluation recommendations and ECW’s commitment to collective outcomes. ExCom members to champion new ways of working and the importance of collaboration through their own organizations.	High (Likely/ Major)	Medium
7	Perception of Conflict of Interest with UNICEF as ECW host Risk owner: ExCom	ExCom to oversee institutional ‘firewalls’, and support engagement of full range of partners. Secretariat to ensure inclusive and transparent approach to programme development and grantee selection and reflect this in the Operational Manual (including building on recommendations from independent evaluations).	High (Likely/ Major)	Medium
8	ECW FER and MYRP grantees and implementing partners fail to deliver results expected, due to organizational/staffing weakness or partnership breakdown	Secretariat to identify appropriate partners in line with the processes set out in the Operational Manual (e.g., UN and HACT assessments, consultations and missions before design, grant selection criteria) and then to identify, manage and mitigate any capacity or partnership issues as early as possible during programming (including using funding for capacity strengthening, and ensuring	High (Likely/ Major)	Medium

#	Risk description	Risk mitigation	Inherent risk	Residual risk after mitigation
			(Probability/Impact)	
	Risk owner: Secretariat	support via ECW Country Leads, the Risk and Safeguarding Manager, and technical experts as appropriate). The Secretariat to also support longer term capacity strengthening and partnerships for the sector through the Acceleration Facility.		
9	ECW unable to scale up multi-year programmes with the speed and depth envisaged, due to country-level limitations Risk owner: Secretariat	Secretariat to carry out early country assessments of multi-year opportunities, partner capacity and appetite for ECW programming, and proactively engage with partners in country throughout assessment and design. Secretariat to support additional capacity at country level (as needed) and to encourage co-financing and fund matching with other donors, funds or programmes. ExCom to support leveraging of resources to finance ECW multi-year resilience programmes.	Very High (Very Likely/Major)	High
Secretariat and Governance				
10	Insufficient ECW Secretariat capacity to deliver the Strategic Plan, to manage programmes, and to ensure robust oversight of delivery and risk management Risk owner: ExCom and HLSG	HLSG and ExCom (supported by ExCom Committee organizations and Reference Groups) to review and engage in the development of the 2023-2026 Strategic Plan, the Secretariat budget and annual workplan, and ensure sufficient Secretariat capacity to deliver (including through core staffing, consultancy budget, and secondments). ECW Director and Secretariat to provide updates and recommendations to ExCom, and to ensure the Organisational Evaluation and the next Strategic Plan inform staffing approach.	Very High (Very Likely/Major)	High
11	ECW governance and operational structures and processes impede the agility and speed of ECW operations, and ECW's ability to deliver its Strategic Plan Risk owner: HLSG and ExCom	HLSG and ExCom to support and engage in strategic planning processes and revisions to governance and operational frameworks while allowing the Secretariat the discretion to operate and respond quickly to emerging crises and opportunities. Secretariat to oversee appropriate revisions to governance and operating models (including maintaining the Operational Manual), and to ensure good	High (Likely/Major)	Medium

#	Risk description	Risk mitigation	Inherent risk	Residual risk after mitigation
			(Probability/Impact)	
		communication and transparency with governance bodies, including in relation to the development of ECW's second Strategic Plan.		
12	ECW governance bodies' risk appetite does not allow delivery of ECW strategy in high-risk environments, and on innovative approaches and financing Risk owner: HLSG and ExCom	HLSG and Executive Committee to support implementation of approved Strategic Plan, risk framework and resource mobilisation approach. Secretariat to ensure adherence to the Operational Manual and UNICEF's regulatory requirements, and actively manage and report on risk. Consideration of risk appetite to form part of the Strategic Plan consultations, particularly in relation to localisation.	Medium (Possible /Major)	Low
Fiduciary				
13	Fraud, corruption or diversion by ECW grantees or third parties Risk owner: Secretariat	Secretariat and UNICEF Fund Support Office (FSO) to provide appropriate oversight and monitoring of management and use of funds, to follow-up on allegations of misuse of funds, and to support grantees to follow appropriate processes. Oversight to come from the ECW Chief of Finance and Operations, with support from ECW Country Leads and the Risk and Safeguarding Manager as necessary, including maintaining the fraud/corruption case register. Approach to high-risk investment and contracting for FERs in high-risk settings to be determined in Q4 2022.	Very High (Likely/ Severe)	High
14	ECW funds end up in hands of listed person or entity Risk owner: Secretariat	Secretariat and FSO to ensure Secretariat and grantees' understanding of sanctions and listed entities, supported by appropriate FSO checks, mandatory HACT assessments, Senior Management Team (SMR) oversight, delivery chain mapping and clear and wide communication of reporting channels.	High (Possible /Severe)	Medium
Safeguarding/Do No Harm				
15	ECW inadvertently funds contentious education materials Risk owner: Secretariat	Secretariat to ensure inclusion is featured in grantee risk assessments, to monitor risk management by grantees, and to provide support when guidance on requirements or re-programming needed.	High (Possible /Severe)	Medium

#	Risk description	Risk mitigation	Inherent risk	Residual risk after mitigation
			(Probability/Impact)	
16	<p>ECW funds inadvertently cause harm to children, including through violations of child protection and participation rights, harm to adults and negative impacts to the environment</p> <p>Risk owner: Secretariat</p>	<p>Secretariat to ensure that context analysis and programme design address issues related to PSEA and protection and include tailored programme interventions.</p> <p>Secretariat to review grantee safeguarding policies and codes of conduct prior to approval of funding, ensure grantees apply appropriate safeguarding assessment and mitigation processes, and foster grantee engagement with relevant protection clusters and networks.</p> <p>Secretariat to deliver and strengthen ECW's safeguarding practices and commitments (e.g., standards and assessments, spot checks, capacity development, case management, regular reporting) with oversight by the Risk and Safeguarding Manager.</p>	<p>Very High</p> <p>(Likely/ Severe)</p>	<p>Medium</p>
17	<p>ECW funds programmes which cause harm to children with disabilities (linked to risk #16)</p> <p>Risk owner: Secretariat</p>	<p>Secretariat to apply, and support grantees to apply, appropriate assessment, engagement, design and implementation approaches in line with ECW's Policy and Accountability Framework on Disability Inclusion, and to apply appropriate safeguarding mitigation measures.</p>	<p>Medium</p> <p>(Possible /Major)</p>	<p>Medium</p>
18	<p>ECW accepts funding from or makes grants to organisations that engage in safeguarding violations (linked to risk #16)</p> <p>Risk owner: Secretariat</p>	<p>Secretariat to apply child safeguarding mitigation measures, monitor emerging protection trends, and apply all due diligence processes, including terminating/suspending funds as appropriate.</p>	<p>Medium</p> <p>(Possible /Major)</p>	<p>Medium</p>
19	<p>ECW programmes exacerbate conflict or political disturbance</p> <p>Risk owner: Secretariat</p>	<p>Secretariat to support comprehensive risk assessments as part of proposal process, and Accountability to Affected Populations and crisis-sensitive approaches as part of design and implementation. Secretariat to ensure effective consultation and communication, including with humanitarian country team, as part of programme design, and to support regular follow-up and monitoring (including via missions).</p>	<p>High</p> <p>(Possible /Severe)</p>	<p>Medium</p>