



ECW Risk Reporting – Questions & Answers

Reporting period: July 2022 – June 2023

Risk assessment submission due date: August 2, 2023

1. What is a “GRN”?

The GRN is the Grant Reference Number which is used to identify every ECW Grant. The GRN can be found in the Grant Confirmation Letter.

2. What are the reporting requirements for submission for grantees under the FER and MYRP grants?

FER

- Each grantee will need to submit a separate risk assessment.
- No joint risk assessment is required.

MYRP

- Each grantee needs to submit a separate risk assessment.
- For MYRPs with more than one grantee, **a joint risk assessment is also required**. In this case, we need one report from each grantee **as well as** a joint report for the MYRP, submitted by the lead grantee.

3. If we are an organization that is part of a multi-agency grant, do we send our matrix individually or should it rather be centralized by the lead partner who will be in charge of the submission?

You can submit the risk assessment matrix directly to ECW or to the lead grantee who will forward it to ECW.

4. We submitted a risk matrix at the beginning of the project, does this exercise require that this matrix be updated, or should we submit a new matrix?

- a. For grantees that participated in MYRP that ended in Dec 2022 – are they still expected to provide updated risk report covering June 2022- Dec 2022?
- b. Will grants that started recently (in 2023) be part of the reporting?



This exercise is for the time period of July 2022 – June 2023. This includes grantees who had any program operations during that time. For new grants during this period, where grantees submitted a risk assessment with their proposal, a risk assessment should be submitted as part of this exercise. This should reflect any changes (new/changed risks or mitigating measures) since the initial risk assessment submitted with the proposal.

5. Does this mean that from now on risk reporting will be done annually?

This risk reporting exercise covers a 12-month period, as there are delays with the ECW Secretariat reporting to ECW's Executive Committee. We may continue with a 12-month reporting cycle on portfolio risk and will notify grantees if that is the case.

6. How do you distinguish between risk mitigation and internal control?

For the purposes of this risk reporting exercise, the two terms can be used interchangeably. Internal controls help grantees to either prevent a risk from materializing or reduce its impact if the risk were to materialize. Risk mitigation measures are the same thing, i.e., actions that grantees take to reduce either the likelihood or impact of a risk.

7. How do you quantify the impact of mitigation measures on the likelihood and impact of a particular risk?

8. Depending on where we start with the gross risk, how do mitigation measures in place affect the likelihood and impact of the risk?

Quantifying risk can be complex. Some organizations might have a numerical system for rating risks, for example, on a scale from 1 to 5. ECW's risk assessment scale is categorized as low, medium, high, very high. Grantees make a judgement call when rating risk in each category. The key consideration is to determine how mitigating measures change the residual risk rating. Ultimately, what we are interested in is the residual risk rating as this offers an indication of what would happen if that risk materialized today.

9. Should we fill out the template in consideration of the risks associated with the general country context regarding all operations, or specific to the specific ECW award activity?

The first category, including the context, could include general risk regarding the country context, including political risk, economic risk, the political situation of the country that has an impact on the program. The risk assessment matrix should be a snapshot of the risk exposure of



the program. The template categories are set up to allow grantees to capture both internal and external risks.

10. How can grantees know ECW’s risk appetite to a particular program or project?

Due to the nature of our work in conflict and protracted crisis situations, we are aware that our grantees often operate in high-risk environments. ECW has not yet formally defined its risk appetite; however, this is an area that the ECW risk team will work on over the next few months and will provide updates to grantees.

11. What is expected under the “residual risks” column?

The residual risk rating is comprised of the risk probability and impact after the mitigation measures have been put in place and aims to show the resulting or ‘residual’ risk exposure to the grantee.

Due to the complex and dynamic context in which we operate, it is important for grantees to frequently revisit the risk descriptions, mitigation measures and residual risk ratings. We suggest an internal review on a regular basis (e.g., once a month) to ensure that any new risks or changes in existing risks are identified and mitigating measures are introduced, where necessary.

ECW acknowledges that some external risks, such as political instability, may be nearly impossible for the grantee to effectively mitigate. In such cases, we may see that the gross and residual risk ratings remain similar, but grantees should monitor the situation and flag any concerns to the ECW risk team.

12. Sometimes, the risk category changes after the submission of the risk matrix. For example, the likelihood of the security risk at the time of submission might have been moderate, but it could change after a few months due to unrest in certain program areas. In such cases, is it important to communicate these changes?

As noted above, regular monitoring of key risks is highly recommended. Where changes result in a significant increase in the residual risk rating / grantees have concerns regarding changes in risk exposure, it is indeed important to communicate these changes to the ECW risk team. If it is a situation that needs to be addressed immediately, please contact the ECW risk team for further assistance.



If grantees have any questions regarding the risk reporting exercise or would like to have a discussion with the ECW risk team on any of the issues related to the exercise or risk management in general, please contact us at risk@ecw-un.org.