CCFSA CLIMATE CHANGE AND FOOD SECURITY ASSOCIATION

Risk Management Policy

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RISK MANAGEMENT POLICY

Member:	• all board members/trustees, board committee members • all association employees, secondees, interns and volunteers; and • all consultants/contractors/suppliers (including internal consultants with an association email address) • all association partners
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1. PURPOSE

The purpose of the risk management policy for the Climate Change and Food Security Association (CCFSA) is to establish a structured approach to identifying, assessing, mitigating, and monitoring risks that could impact the association's mission, operations, and reputation. By defining this approach, the policy aims to:

1. Protect Resources and Interests: Ensure the safety of financial, human, and physical resources critical to the association's goals.
2. Enhance Decision-Making: Provide a foundation for informed decision-making and proactive responses to potential risks.
3. Promote Resilience: Build organizational resilience by preparing for risks associated with climate change, food security, and related environmental and social factors.
4. Ensure Compliance: Support compliance with relevant laws, regulations, and donor requirements, safeguarding against legal or financial penalties.
5. Foster Stakeholder Trust: Maintain the trust of donors, partners, and beneficiaries by demonstrating a commitment to effective risk management practices.
6. Continuous Improvement: Facilitate ongoing evaluation and adaptation of risk management strategies to respond to evolving challenges and opportunities.

2. SCOPE

The risk management policy for the CCFSA applies to:

1. Board Members and Executives: Responsible for overseeing and guiding risk management processes, ensuring compliance, and setting the tone for a risk-aware culture within the association.

2. Management Team: Accountable for implementing the policy, identifying and assessing risks, establishing mitigation strategies, and reporting on risk management activities within their areas of responsibility.

3. All Staff Members: Expected to adhere to the policy, participate in risk management practices relevant to their roles, and report any potential risks to their supervisors.

4. Project Partners and Consultants: Required to comply with CCFSA's risk management protocols and engage in practices that align with the association's approach to risk identification and mitigation during collaborative projects.

5. Volunteers and Interns: Responsible for understanding and following the risk management policy as applicable to their activities within the association.

6. Stakeholders: Including donors, funders, and beneficiaries, who may be indirectly affected by the policy. Their roles emphasize transparency and accountability in CCFSA's risk management practices, especially regarding project activities and outcomes.

3. RISK GOVERNANCE

The risk governance structure of the CCFSA is organized to ensure clear accountability, effective decision-making, and proactive management of risks across all levels. Here's an overview of the key roles and their responsibilities in the risk management framework:

1. Board of Directors
- Role: The Board provides strategic oversight and direction for the association's risk management.
- Responsibilities:

- Set the association's risk appetite and establish high-level risk management objectives.
- Approve the risk management policy, framework, and significant changes.
- Oversee the management team’s implementation of risk management procedures.
- Review high-priority risks, mitigation strategies, and the effectiveness of risk management on an annual basis.

2. Executive Director
- Role: As the head of CCFSA’s operational activities, the Executive Director is responsible for the overall execution of the risk management strategy.
- Responsibilities:
  - Lead the integration of risk management into the association’s strategic and operational processes.
  - Ensure adequate resources and training are allocated to risk management efforts.
  - Report to the Board on risk management progress, emerging risks, and issues requiring their attention.
  - Act as the primary point of contact for risk-related decisions that may impact strategic goals.

3. Risk Management Committee
- Role: A committee (if applicable, composed of key management personnel and board representatives) provides focused oversight on risk management activities.
- Responsibilities:
  - Conduct regular risk assessments and monitor mitigation actions.
  - Develop and update the risk management framework and policy in alignment with organizational objectives.
  - Address specific, high-impact risks that need close monitoring.
  - Report findings to the Executive Director and the Board periodically.

4. Departmental Heads / Project Managers
- Role: Departmental heads and project managers play a vital role in identifying, assessing, and managing risks within their functional areas or projects.
- Responsibilities:
  - Implement risk mitigation plans tailored to their departments or projects.
  - Perform regular risk assessments, track risk indicators, and document risk responses.
  - Report significant risks and mitigation progress to the Risk Management Committee or Executive Director.
  - Ensure all team members understand and comply with risk management practices.

5. Risk Officer / Designated Risk Management Personnel
- Role: A dedicated risk officer or designated team members manage day-to-day risk management tasks across the association.
- Responsibilities:
  - Facilitate the identification, analysis, and documentation of risks.
  - Support the implementation of risk response actions and provide guidance to project teams.
  - Maintain the risk register, track risk mitigation progress, and ensure policy compliance.
  - Coordinate risk training sessions for staff and stakeholders as needed.

6. All Staff Members
- Role: Each staff member is responsible for actively engaging in risk management within their scope of work.
- Responsibilities:
  - Identify and report risks to supervisors or the designated risk personnel.
  - Follow prescribed risk management procedures and contribute to the implementation of mitigation measures.
  - Participate in risk awareness and training sessions organized by the association.

4. RISK MANAGEMENT PROCESS

The risk management process for the CCFSA is designed to provide a systematic approach to identifying, assessing, managing, and monitoring risks. Here's an outline of the steps involved, with references to the risk management procedure for practical guidance:

1. Risk Identification
- Purpose: Identify potential risks that could impact the association's objectives, projects, or resources.
- Procedure:
  - Use tools like risk workshops, brainstorming sessions, or interviews with stakeholders to gather insights on risks.
  - Categorize risks into relevant types
  - Document identified risks in the Risk Register, a central record that will guide further analysis and monitoring.

2. Risk Assessment
- Purpose: Analyze the likelihood and potential impact of each identified risk to prioritize them for action.
- Procedure:
  - Evaluate the probability of each risk occurring.
  - Assess the impact on the association's objectives, should the risk materialize.
  - Use a risk matrix to combine likelihood and impact scores, categorizing risks by priority.
  - Document assessment results in the Risk Register, which helps inform mitigation actions.

3. Risk Mitigation and Control
- Purpose: Develop and implement strategies to manage or reduce the potential impacts of high-priority risks.
- Procedure:
  - Select the appropriate risk response for each high-priority risk: Avoidance, Mitigation, Transfer, or Acceptance.
  - Define specific mitigation actions.
  - Assign responsibility for each mitigation action to relevant team members or departments.
  - Document mitigation plans in the Risk Register and ensure that assigned personnel understand their responsibilities.

4. Implementation of Risk Responses
- Purpose: Ensure that all risk mitigation measures are effectively implemented.
- Procedure:
  - Schedule regular check-ins to monitor progress on mitigation actions.
  - Allocate necessary resources, such as staff, time, or budget, to execute these actions.
  - Communicate any changes in risk status or response effectiveness to the risk management team or committee.
  - Update the Risk Register with details on progress and any adjustments to the mitigation strategy.

5. Monitoring and Review
- Purpose: Continually monitor risks and review the effectiveness of mitigation strategies to respond to new or evolving risks.
- Procedure:
  - Conduct periodic risk assessments to reassess the likelihood and impact of known risks and identify emerging risks.
  - Review the Risk Register regularly to update the status of risks and mitigation actions.
  - Report significant findings to the Risk Management Committee and the Executive Director.
  - Adjust mitigation actions as needed based on new insights or changing conditions.

6. Risk Reporting and Communication
- Purpose: Ensure transparency and accountability by communicating risk management activities to relevant stakeholders.
- Procedure:
  - Regularly report on key risks, mitigation progress, and the effectiveness of controls to the Board, Executive Director, and other stakeholders.
  - Document and communicate any changes in risk status or the emergence of new risks.
  - Ensure that the risk management culture is promoted across the association through workshops, updates, and internal communications.

7. Continuous Improvement
- Purpose: Improve the risk management process by learning from past experiences and adapting to new challenges.
- Procedure:
  - After significant events or projects, conduct a post-implementation review to capture lessons learned.
  - Update the risk management policy and procedures based on findings from reviews, audits, or changes in the operating environment.
  - Encourage feedback from staff and stakeholders to refine the process continually.

5. INTEGRATION WITH OTHER SYSTEMS AND PROCESSES

Integrating and embedding risk management into the CCFSA's organizational processes is crucial for fostering a proactive risk-aware culture across all activities. Here's how risk management is woven into various levels and functions within the association:

1. Strategic Planning
- Integration: Risk management is incorporated into strategic planning to ensure that potential risks are considered in the development and pursuit of long-term objectives.
- Application: During annual planning sessions, the leadership team evaluates potential risks that could impact strategic goals, like funding stability, partnerships, and environmental conditions. This evaluation informs goal-setting and strategy adjustments to enhance resilience.

2. Project and Program Management
- Integration: Risk assessments are a core component of planning and executing all projects and programs.
- Application: Each project undergoes an initial risk assessment to identify risks specific to its scope, funding requirements, stakeholders, and environmental impact. Project managers regularly update the risk status, report on mitigation progress, and make adjustments as needed, keeping risk management dynamic throughout the project lifecycle.

3. Decision-Making and Policy Development
- Integration: Risk considerations are embedded in decision-making processes to ensure that policies, strategies, and actions are aligned with the association's risk appetite.
- Application: When making key decisions, such as new partnerships or resource allocations, the executive team reviews potential risks and mitigation options, guided by risk data and assessments. This practice promotes informed, risk-aware decisions across all levels.

4. Operational Processes
- Integration: Day-to-day operations, from financial management to human resources, incorporate risk controls to prevent operational disruptions.
- Application: For example, financial controls are implemented to safeguard assets, and operational checks are performed regularly to reduce risks associated with data protection, financial compliance, and resource utilization.

5. Human Resources and Staff Training
- Integration: Training on risk management is embedded in onboarding and staff development to foster awareness and capability.
- Application: New employees are introduced to the risk management policy and educated on how it applies to their roles. Regular training sessions ensure all staff members understand their responsibilities in identifying and reporting risks, reinforcing a proactive, organization-wide approach.

6. Stakeholder Engagement
- Integration: Communication of risk management practices with stakeholders ensures transparency and builds trust.
- Application: In project planning and reporting phases, CCFSA engages donors, partners, and beneficiaries to address shared risks and mitigation strategies. By involving stakeholders in risk discussions, the association aligns expectations and fosters collaborative risk management efforts.

7. Monitoring and Reporting
- Integration: Continuous monitoring and reporting of risks are integral to evaluating and adapting organizational processes.
- Application: Regular risk monitoring and reporting cycles ensure that emerging risks or changes in risk profiles are quickly identified and addressed. These updates are communicated in management meetings, project reviews, and Board reports to ensure that leadership remains informed and responsive.

8. Audit and Continuous Improvement
- Integration: Periodic audits of risk management practices facilitate ongoing refinement of the association's approach.
- Application: Internal or external audits assess the effectiveness of risk management processes, identifying gaps and areas for improvement. The insights gathered from audits feed into the continuous improvement cycle, allowing CCFSA to strengthen its risk management capabilities over time.

6. RISK CATEGORIES

To ensure comprehensive risk management, the CCFSA should include a variety of risk categories in the risk register and in risk reporting. These categories help organize and prioritize risks based on the potential impact on the association's mission, operations, and stakeholders. Here are recommended risk categories:

1. Strategic Risks
- Definition: Risks that could impact the achievement of CCFSA's long-term goals and strategic objectives.
- Examples: Changes in government policies on climate and food security, shifts in donor funding priorities, challenges in achieving mission objectives, or failure to establish critical partnerships.

2. Operational Risks
- Definition: Risks arising from internal processes, people, systems, or external events that could disrupt day-to-day operations.
- Examples: Inefficiencies in project delivery, resource shortages, equipment failures, supply chain disruptions, or security issues affecting facilities or fieldwork.

3. Financial Risks
- Definition: Risks related to the association's financial health, including funding, budgeting, and financial management.
- Examples: Budget overruns, fraud, unexpected expenses, exchange rate fluctuations affecting grants, loss of major funders, or inability to secure funding for projects.

4. Compliance and Legal Risks
- Definition: Risks associated with non-compliance with laws, regulations, or contractual obligations.

- Examples: Non-compliance with donor requirements, local laws, or international regulations on climate initiatives, intellectual property issues, or breaches of data privacy regulations.

5. Reputational Risks
- Definition: Risks that could harm CCFSA’s reputation and stakeholder trust.
- Examples: Negative publicity from project outcomes, unfulfilled commitments, data breaches, environmental incidents, or adverse stakeholder or community reactions to project activities.

6. Environmental Risks
- Definition: Risks related to environmental factors, especially relevant given CCFSA’s focus on climate and food security.
- Examples: Climate change impacts, natural disasters (e.g., floods, droughts), adverse weather affecting project activities, or biodiversity loss impacting agricultural projects.

7. Programmatic Risks
- Definition: Risks specific to the design, implementation, and outcomes of programs and projects.
- Examples: Failure to achieve project objectives, delays in project timelines, low participation rates, or lack of alignment with community needs.

8. Human Resource Risks
- Definition: Risks related to recruitment, retention, and performance of staff and volunteers.
- Examples: High staff turnover, skill shortages, lack of staff training, conflicts or grievances within teams, or dependency on key personnel.

9. Technology and Data Risks
- Definition: Risks associated with the use of technology and the management of data.
- Examples: Data breaches, cybersecurity threats, technology failures, lack of data backup, or inadequate systems for data collection and reporting.

10. Stakeholder and Community Risks
- Definition: Risks involving stakeholders, including donors, partners, and the communities served by CCFSA.
- Examples: Conflicts with stakeholders, community opposition to projects, unmet stakeholder expectations, or misalignment with beneficiary needs.

7. RISK REGISTER

The purpose of the risk register for the CCFSA to serve as a centralized document that captures, tracks, and monitors all identified risks that could impact the association’s operations, projects, and strategic objectives. It provides a structured approach to documenting and managing risks, ensuring they are visible, prioritized, and mitigated appropriately.

Types of Risks Included in the Risk Register
The risk register includes a comprehensive range of risk categories to address all areas that could impact CCFSA’s activities:

1. Strategic Risks: Risks that could affect the association's long-term objectives or mission.
2. Operational Risks: Risks arising from daily operations or disruptions in service delivery.
3. Financial Risks: Risks that may affect CCFSA’s financial health, including funding and budgeting risks.
4. Compliance and Legal Risks: Risks related to regulatory compliance or legal issues.
5. Reputational Risks: Risks that could harm the association’s reputation or relationships with stakeholders.
6. Environmental Risks: Risks arising from climate change impacts or natural events.
7. Programmatic Risks: Risks specific to the planning, execution, and outcomes of projects.

8. Human Resource Risks: Risks related to staffing, skills, and team dynamics.
9. Technology and Data Risks: Risks associated with technology use, cybersecurity, and data management.
10. Stakeholder and Community Risks: Risks involving donors, partners, and the communities served by the association.

Criteria for Adding Risks to the Register
Risks are added to the register based on:
- Likelihood and Impact: Risks that have a moderate to high likelihood of occurring or that could significantly impact CCFSA's objectives.
- Relevance: Risks directly affecting current operations, projects, or stakeholders.
- Strategic Importance: Risks that align with or could disrupt CCFSA's strategic priorities or long-term goals.
- Emerging Threats: New risks or changing conditions that may not have been previously identified but could impact operations or projects.

Criteria for Removing Risks from the Register
Risks are removed from the register when:
- Mitigation Achieved: The risk has been effectively mitigated, and its likelihood and impact have been minimized to an acceptable level.
- Risk Expired: The time frame during which the risk could have materialized has passed, or the specific conditions leading to the risk no longer exist.
- Strategic Reassessment: The risk is reassessed and deemed no longer relevant or significant enough to warrant tracking.

Reviewing the Risk Register
- Responsibility: The Risk Management Committee and Executive Director hold the primary responsibility for reviewing and updating the risk register.
- Frequency: The risk register will be formally reviewed quarterly to ensure all risks are current and any new risks are added. A comprehensive review should be conducted annually, aligned with strategic planning sessions to assess risks that may affect longer-term goals.

8. RISK REPORTING

The risk reporting requirements for the CCFSA are designed to create awareness of key risks, ensure accountability for effective risk management, and facilitate timely implementation of risk treatment plans. Here's an outline of the requirements:

Purpose of Risk Reporting
The purpose of risk reporting is to:
- Provide visibility into key risks that may impact CCFSA's mission, projects, and strategic goals.
- Ensure accountability for managing risks at all levels of the organization.
- Monitor the progress of risk treatment plans and ensure actions are completed on schedule.
- Support informed decision-making by sharing current risk information with leadership and stakeholders.

Who Prepares the Risk Reports
- Risk Management Committee: The committee, often led by the designated Risk Manager, is responsible for compiling, analyzing, and preparing the primary risk reports. Committee members will gather information from various departments and project teams to ensure a comprehensive view of all organizational risks.
- Project Managers: For specific project-related risks, project managers prepare individual risk updates, including details on identified risks, mitigation progress, and any adjustments required to treatment plans. These updates feed into the central risk report compiled by the Risk Management Committee.

Who Reviews the Risk Reports
- Executive Director: Reviews all risk reports to ensure that key risks are being effectively managed and that adequate resources are available for mitigation efforts.
- Board of Directors: Reviews quarterly and annual risk reports, focusing on strategic and high-priority risks that could impact the association's overall objectives and financial health.
- Department Heads and Project Managers: Review project-specific or operational risk reports to monitor and guide risk management activities within their areas.

Frequency of Risk Reporting and Review
- Monthly Updates: The Risk Management Committee compiles monthly updates on high-priority or emerging risks, which are reviewed by department heads, project managers, and the Executive Director. This allows for real-time adjustments to risk treatment plans.
- Quarterly Risk Report: A formal quarterly risk report is prepared and submitted to the Executive Director and the Board of Directors. This report includes updates on key risks, progress on mitigation actions, and any new risks identified during the quarter.
- Annual Risk Review and Report: At the end of each fiscal year, the Risk Management Committee prepares a comprehensive annual risk review, including a summary of all significant risks encountered, treatment actions taken, and lessons learned. This annual report is presented to the Board for strategic review and to guide long-term planning.

Reporting Components
Each risk report includes:
- Risk Identification: A list of high-priority and emerging risks, categorized by type (strategic, operational, financial, etc.).
- Risk Assessment Summary: An updated assessment of each risk, including likelihood, impact, and priority level.
- Treatment Progress: Status of risk treatment plans, including completed actions and pending activities, with timelines and assigned responsibilities.
- Risk Status Changes: Information on any changes in risk levels (e.g., a risk becoming less likely or moving from high to medium priority).
- Recommendations: Recommendations for additional actions or resource allocations needed to address key risks.

9. RISK MANAGEMENT PERFORMANCE

Measuring the performance of risk management at the CCFSA is essential for assessing its effectiveness in supporting the organization's objectives. Performance measurement ensures that risk management practices are aligned with corporate goals, and that resources are effectively allocated to mitigate risks. Here's an outline of how performance will be evaluated:

1. Risk Reduction and Mitigation Success Rate
- Objective: To assess how effectively the organization is mitigating identified risks and minimizing potential impacts.
- Measurement: Track the percentage of risks with completed treatment plans that have effectively reduced the risk impact or likelihood to an acceptable level. Success is measured by comparing the initial risk assessment with post-mitigation status.
- Target: Aim to achieve a high rate of successful risk mitigation, with specific benchmarks set for high-priority risks.

2. Achievement of Risk Management Objectives
- Objective: To evaluate progress toward key risk management objectives, such as achieving certain compliance levels, enhancing financial stability, or improving operational resilience.
- Measurement: Compare quarterly and annual reports on key risk management objectives to assess progress.

- Target: Set specific, measurable objectives for each key area of risk management (e.g., financial compliance, project risk management) and measure the achievement of these targets.

3. Timeliness of Risk Treatment Plans
- Objective: To ensure that risk mitigation actions are implemented within planned timelines, preventing escalation of risks.
- Measurement: Track the percentage of risk treatment plans that are completed on or before their scheduled deadline. Delays in mitigation actions can indicate potential gaps in resources or risk prioritization.
- Target: Aim to achieve at least 90% on-time completion for high-priority risk treatments.

4. Risk Register Accuracy and Relevance
- Objective: To confirm that the risk register is kept up-to-date, with relevant and accurate information on risks impacting CCFSA.
- Measurement: Conduct regular audits of the risk register, checking for outdated, redundant, or resolved risks. Accuracy is measured by the number of relevant, current risks documented and actively managed.
- Target: Conduct at least quarterly reviews to maintain a register that reflects all relevant current risks, with over 95% accuracy in risk data.

5. Stakeholder and Staff Engagement in Risk Management
- Objective: To evaluate the involvement of staff, project teams, and stakeholders in the risk management process, fostering a proactive risk culture.
- Measurement: Track participation rates in risk management training sessions, frequency of risk identification reports submitted by staff, and stakeholder feedback on risk management transparency and responsiveness.
- Target: Ensure that over 80% of staff attend annual risk training sessions and regularly contribute to risk identification and reporting.

6. Risk Reporting and Communication Quality
- Objective: To measure the effectiveness of risk reporting in supporting informed decision-making and promoting accountability.
- Measurement: Conduct surveys or feedback sessions with board members, management, and department heads to assess the clarity, frequency, and usefulness of risk reports. An audit can also be performed on the timeliness and completeness of quarterly and annual reports.
- Target: Aim for high ratings (above 80%) in stakeholder feedback on risk reporting quality, indicating that reports provide clear, relevant, and actionable information.

7. Audit and Compliance Results
- Objective: To verify that risk management practices align with regulatory and organizational standards.
- Measurement: Review findings from internal or external audits related to risk management, noting any recommendations for improvement. Track follow-up actions taken to address audit findings.
- Target: Strive for 100% compliance with all audit recommendations, and ensure risk management processes meet or exceed established regulatory and internal standards.

8. Frequency of Emerging Risks Identification
- Objective: To assess the organization's agility in identifying new or emerging risks, especially those that could impact strategic objectives.
- Measurement: Track the number of newly identified risks documented in each quarterly report. Early identification rates are an indicator of proactive risk management.
- Target: Ensure that emerging risks are documented in each quarterly review, with mechanisms in place to address them before they escalate.

9. Overall Contribution to Organizational Resilience
- Objective: To evaluate the impact of risk management practices on CCFSA's resilience and capacity to meet objectives despite challenges.

- Measurement: Conduct an annual survey or review with leadership to assess whether risk management has effectively minimized disruptions and supported organizational goals.
- Target: Achieve a positive impact rating from leadership and key stakeholders on the contribution of risk management to organizational resilience.

10. RISK APPETITE

CCFSA defines its risk appetite as a balanced approach to taking risks that supports its mission while safeguarding the association's assets, reputation, and sustainability. The risk appetite statement serves as a guiding framework for decision-making, helping to align strategic choices with the organization's objectives, values, and capabilities.

Risk Appetite Statement

CCFSA is committed to advancing climate resilience and food security initiatives while maintaining a cautious approach to risk. We are willing to accept a moderate level of risk in pursuit of our strategic objectives, provided that these risks are carefully assessed, managed, and aligned with our organizational capacity, resources, and the needs of our stakeholders.

Risk Appetite by Category

1. Strategic Risks:
- Appetite: Moderate
- Statement: CCFSA accepts moderate strategic risks when they align with our long-term mission and have the potential to significantly enhance climate resilience and food security. This may include risks associated with innovative program designs or new partnerships that could yield substantial benefits, provided there is a clear mitigation strategy.

2. Operational Risks:
- Appetite: Low to Moderate
- Statement: We have a low to moderate appetite for operational risks that may disrupt daily activities. CCFSA will carefully assess operational risks, especially those that could impact service delivery, and will prioritize continuity and reliability in operations.

3. Financial Risks:
- Appetite: Low
- Statement: CCFSA has a low appetite for financial risks, as we rely on donor funding and limited resources. We will avoid speculative financial risks and focus on maintaining prudent financial management, ensuring that all investments and resource allocations are well-planned and financially sustainable.

4. Compliance and Legal Risks:
- Appetite: Very Low
- Statement: CCFSA has a very low tolerance for compliance and legal risks. The organization is committed to full compliance with all applicable laws, regulations, and donor requirements and will avoid any actions that could compromise legal or regulatory standing.

5. Reputational Risks:
- Appetite: Very Low
- Statement: Protecting our reputation is essential for maintaining trust with our stakeholders and the communities we serve. CCFSA has a very low tolerance for risks that could damage its reputation and will carefully monitor and manage activities and communications to maintain credibility and trust.

6. Environmental Risks:
- Appetite: Moderate

- Statement: Given our focus on climate resilience, CCFSA accepts moderate environmental risks in support of sustainable development goals. We are willing to engage in activities that may have inherent environmental challenges, provided they offer meaningful benefits and adhere to best environmental practices.

7. Programmatic Risks:
- Appetite: Moderate to High
- Statement: We have a moderate to high appetite for programmatic risks, especially when exploring new and innovative approaches to advancing food security and climate resilience. CCFSA is open to piloting new projects with managed risks if they have the potential to bring significant positive outcomes for communities.

8. Human Resource Risks:
- Appetite: Low to Moderate
- Statement: CCFSA has a low to moderate tolerance for risks impacting our personnel. We are committed to providing a safe, inclusive, and supportive environment for our team and will take proactive steps to mitigate risks that could affect staff well-being, retention, or performance.

9. Technology and Data Risks:
- Appetite: Low to Moderate
- Statement: While CCFSA embraces digital solutions to enhance impact, we have a low to moderate tolerance for technology and data risks, with an emphasis on data privacy and security. We prioritize cybersecurity and data protection measures, particularly for sensitive beneficiary and donor information.

10. Stakeholder and Community Risks:
- Appetite: Low
- Statement: CCFSA has a low appetite for risks that could negatively impact our relationship with stakeholders or communities. Our work relies on trust and engagement, and we strive to maintain positive, transparent, and respectful relationships in all program areas.

Overall Risk Tolerance Summary
CCFSA aims to pursue strategic, programmatic, and environmental risks that directly support its mission of climate resilience and food security, with a clear focus on innovation and impact. However, we maintain a conservative approach in areas that could jeopardize our financial stability, legal standing, reputation, or the safety and well-being of our stakeholders and personnel.

This risk appetite statement guides our decision-making process, ensuring that all actions taken align with our mission, capabilities, and values. CCFSA will review and, if necessary, adjust this risk appetite statement annually to reflect any changes in organizational priorities, resource levels, or external conditions.

11. INTERAGENCY AND STATE SIGNIFICANT RISKS

CCFSA recognizes that interagency and state significant risks can greatly impact its operations, projects, and overall mission. As such, a proactive and collaborative approach is essential for identifying and managing these risks effectively. Below is an outline of CCFSA’s approach to addressing interagency and state significant risks:

Approach to Identifying and Managing Interagency and State Significant Risks

1. Risk Identification
- Stakeholder Engagement: CCFSA actively engages with key stakeholders, including government agencies, NGOs, community organizations, and local authorities, to gather insights into potential interagency and state risks. This collaboration facilitates comprehensive risk identification and encourages shared understanding.

- Environmental Scanning: Regular environmental scans are conducted to identify changes in political, economic, social, and environmental conditions that may introduce new risks. CCFSA monitors legislative developments, policy changes, and state-level strategic initiatives that could impact operations.
- Collaboration and Networking: Participation in regional and national forums, workshops, and networks related to climate change and food security allows CCFSA to stay informed about emerging risks identified by other organizations and agencies.

2. Risk Assessment
- Collaborative Risk Workshops: CCFSA organizes joint risk assessment workshops with partner agencies and stakeholders to evaluate identified risks collaboratively. These workshops provide a platform for shared perspectives and facilitate a comprehensive understanding of potential impacts.
- Cross-Agency Risk Matrix: A cross-agency risk matrix is developed to categorize and prioritize interagency and state significant risks based on their likelihood and impact. This matrix helps visualize the risk landscape and assists in prioritizing mitigation efforts.
- Regular Risk Reviews: Scheduled reviews of identified risks are conducted to assess their current status, relevance, and any changes in the external environment that may affect their likelihood or impact.

3. Risk Management Strategies
- Joint Risk Mitigation Plans: CCFSA collaborates with other agencies to develop joint risk mitigation strategies. This may involve sharing resources, knowledge, and best practices to effectively address state significant risks that affect multiple stakeholders.
- Resource Allocation: CCFSA allocates resources, including funding and personnel, towards identified high-priority interagency risks. This ensures that adequate attention and support are directed toward critical risk areas.
- Scenario Planning: Engaging in scenario planning exercises helps CCFSA anticipate potential future interagency risks and develop flexible strategies to respond effectively.

4. Communication and Reporting
- Transparent Communication: CCFSA emphasizes open and transparent communication with stakeholders regarding identified risks, management strategies, and the status of ongoing mitigation efforts. This builds trust and fosters collaboration.
- Regular Updates: CCFSA provides regular updates to stakeholders, including government bodies and partner organizations, on risk management activities, outcomes of joint initiatives, and any new significant risks that have emerged.

5. Monitoring and Review
- Ongoing Monitoring: Continuous monitoring of interagency and state significant risks is conducted to ensure that emerging threats are identified promptly and that existing risks are managed effectively.
- Annual Risk Review: An annual review of interagency and state significant risks is performed to evaluate the effectiveness of mitigation strategies and identify areas for improvement. This review involves input from all relevant stakeholders.

6. Capacity Building and Training
- Training Programs: CCFSA implements training programs for staff and stakeholders to enhance their understanding of interagency and state significant risks and effective management practices. This capacity-building approach ensures that all parties are equipped to identify and respond to risks collaboratively.
- Knowledge Sharing: CCFSA encourages knowledge sharing among partner agencies to disseminate lessons learned, best practices, and innovative approaches to risk management.

12. REVIEW AND APPROVAL

The review of the risk management policy at CCFSA is a critical process to ensure its continued relevance and effectiveness in addressing organizational risks. The review process will take into account progress made against the risk management improvement plan, which serves as a blueprint for implementing the policy across the organization. Here's an outline of the review process:

Review Frequency and Responsibility for the Risk Management Policy

1. Review Frequency
- Annual Review: The risk management policy will be reviewed annually to assess its effectiveness and ensure that it remains aligned with organizational goals, regulatory requirements, and best practices in risk management.
- Interim Reviews: In addition to the annual review, interim reviews may be conducted as needed, particularly if significant changes occur in the organizational environment, such as new regulations, changes in leadership, or major incidents impacting risk management.

2. Review Responsibilities
- Risk Management Committee: The primary responsibility for reviewing the risk management policy lies with the Risk Management Committee, which comprises representatives from key departments, including finance, operations, program management, and compliance. This committee will:
  - Assess progress against the risk management improvement plan.
  - Evaluate the effectiveness of the current risk management policy and its implementation.
  - Identify any emerging risks or changes in the organizational landscape that may necessitate policy adjustments.

- Executive Leadership Team: The Executive Leadership Team will provide oversight for the review process, ensuring that the policy aligns with the organization's strategic objectives. They will:
- Review recommendations from the Risk Management Committee.
- Ensure that any necessary changes to the policy are implemented and communicated to all staff.

- Stakeholder Consultation: During the review process, feedback may be solicited from various stakeholders, including staff, partners, and beneficiaries, to gain insights into the practical effectiveness of the policy and areas for improvement. This input will inform the review process and ensure the policy is responsive to stakeholder needs.

3. Progress Assessment Against the Risk Management Improvement Plan
- Monitoring Indicators: The review will include an assessment of key performance indicators (KPIs) established in the risk management improvement plan. This assessment will focus on:
  - Progress in achieving risk management objectives.
  - Effectiveness of implemented risk mitigation strategies.
  - Feedback on training and capacity-building initiatives related to risk management.

- Reporting Outcomes: A summary report outlining the findings of the review, including recommendations for any policy updates, will be prepared and presented to the Executive Leadership Team and the Board of Directors.