RISK MANAGEMENT POLICY

Wildlife Research and Training Institute

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FOREWORD

In today's increasingly dynamic and complex environment, risk is an unavoidable element of institutional operations. The Wildlife Research and Training Institute recognizes that proactive risk management is essential for the achievement of its strategic goals, sustainability of its operations, and credibility with stakeholders.

In line with the Government of Kenya's directive through the National Treasury Circular No. NT/IAG/GEN/235/(64), this Risk Management Policy has been developed to institutionalize a structured and consistent approach to risk identification, assessment, mitigation, and monitoring across all levels of the Institute.

As an Institute, we must constantly navigate a landscape marked by environmental, financial, operational, and reputational uncertainties. This policy is designed to empower the Board, management, and staff to integrate risk management into decision-making processes and daily operations. It reflects our commitment to best practices in corporate governance, operational excellence, and responsible stewardship of resources.

The Risk Management Policy provides clarity on the roles and responsibilities of various actors including the board, management, the Internal Audit function, risk champions, and all staff. It also defines the Institute's risk appetite and tolerance thresholds, ensuring that risks are managed within acceptable boundaries while creating room for innovation and strategic growth.

This policy is not merely a compliance tool; it is a strategic enabler. Through its implementation, we aim to embed a culture of risk awareness and ownership throughout the Institute. It encourages forward-thinking, fosters transparency, and enhances accountability at every level.

... **DATE:** 16th May, 2025

DR DAVID NKEDIANYE
CHAIR, BOARD OF THE INSTITUTE

PREFACE

The Institute operates in a multifaceted and evolving landscape, where environmental, regulatory, financial, and reputational risks are increasingly interlinked with our institutional mandate. In recognition of this reality, the Institute has developed this Risk Management Policy, to embed a culture of foresight, preparedness, and resilience across all facets of our operations.

The policy articulates a structured framework that enhances our ability to identify, assess, respond to, and monitor risks in a manner that safeguards our core objectives while positioning us to seize opportunities. This policy is a vital instrument for improving institutional governance, enhancing accountability, and securing the integrity of our programs and partnerships.

In drafting this policy, the Institute acknowledges that risk is not confined to isolated events but is a continuous and dynamic element of strategy execution. Accordingly, the policy integrates risk management with strategic planning, project implementation, financial management, and human resource processes. It emphasizes the importance of risk ownership at all levels—from the Board and management to individual staff members—ensuring collective responsibility in navigating uncertainty.

This policy also introduces clear definitions, governance structures, reporting mechanisms, and escalation protocols to facilitate timely and evidence-based decision-making. It emphasizes preventative action, cross-functional collaboration, and innovation in addressing emerging and complex risks, including climate-related, technological, and operational vulnerabilities.

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DR PATRICK OMONDI, OGW
DIRECTOR/CEO,

DATE: 16th May, 2025

DEFINITIONS

Assurance: means a general term for confidence that can be derived from objective information over the successful conduct of activities, the efficient and effective design and operation of internal control, compliance with internal and external requirements and the produce of credible information to support decision making;

Board: means Board of Institute of Wildlife Research and Training Institte (WRTI)

Cause: means an element which alone or in combination has potential to give rise to a risk;

Consequence: means the outcome of an event affecting objectives should the risk occur. (A consequence can be certain or uncertain and can have positive or negative direct or indirect effects on objectives. Consequences can be expressed quantitatively or qualitatively. A consequence can escalate through cascading and cumulative effects);

Control: means a measure that maintains and / modifies risk. Controls include, but are not limited to, any process, policy, device, practice, or other conditions and /or actions which maintain and /or modify risk. Controls may not always exert the intended or assumed modifying effects;

Core values: means the Institute's beliefs and ideals about what is good or bad, acceptable or unacceptable which influence its behavior;

Data: means raw facts that can be collected together to be analyzed, used, or referenced;

Objectives: means the measurable steps that the Institute takes to achieve its strategies;

Event: means an occurrence or change of a particular set of circumstances and can be something that is expected which does not happen, or something that is not expected which does happen. Events can have multiple causes and consequences and can affect multiple objectives;

External context: means external environment in which the Institute seeks to achieve its objectives. External context can include the cultural, social, political, legal, regulatory, financial, technological, economic, natural and competitive environment, whether international, national, regional or local and trends that having impact on the objectives of the Institute;

Exposure: means the extent to which the Institute and/or stakeholder is subject to an event;

Governance: means the combination of processes and structures implemented by the board to inform, direct, manage, and monitor the activities of the Institute toward the achievement of its objectives;

Information: means processed, organized, and structured data concerning a particular fact or circumstance;

Inherent risk: means the level of risk associated with the Institute as a whole, or the individual system being examined before considering the effectiveness of controls;

Institute: means Wildlife Research and Training Institute;

Internal context: means internal environment in which the Institute seeks to achieve its objectives. Internal context can include governance, institutional structure, roles and accountability policies, objectives, and the strategies that are in place to achieve them;

Internal control: means a process effected by the Board of Institute, management and other personnel designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting and compliance;

Level of risk: means the magnitude of a risk or combination of risks expressed in terms of the combination of consequences and their likelihood;

Likelihood: means chances of something happening. Likelihood can be defined, measured or determined objectively or subjectively, qualitatively or quantitatively, and described using general terms or mathematically;

Key risk: means a Key risk is a risk or combination of risks that can seriously affect the performance, future prospects or reputation of the Institute. These should include those risks that would threaten its business model, future performance, solvency or liquidity. The term can be used interchangeably with "principal risk";

Mission: means the Institute's core purpose, which establishes what it wants to accomplish and why it exists;

Monitoring: means continuous checking, supervising, critically observing or determining the status in order to identify change from the performance level required or expected. Monitoring can be applied to a risk management framework, risk management process, risk or control;

Opportunity: means an action or potential action that creates or alters goals or approaches for creating, preserving, and realizing value;

Probability: means the measure of the chance of occurrence expressed as a number between 0 and 1, where 0 is impossibility and 1 is absolute certainty;

Resilience: means the adaptive capacity of the Institute in a complex and changing environment;

Residual risk: means the level of risk associated with the Institute as a whole, or the individual system being examined after considering the effectiveness of controls;

Risk: means the effect of uncertainty on objectives. An effect is a deviation from the expected. It can be positive, negative or both, and create or result in opportunities and threats. Objectives can have different aspects and categories, and can be applied at different levels. Risk is usually described in terms of risk sources, potential events, their consequences and their likelihood;

Risk acceptance: means an informed decision to take a particular risk. Accepted risks are subject to monitoring and review;

Risk analysis: means the process to comprehend the nature of risk and to determine the level of risk based on the assessment of the likelihood of the risk occurring and the consequences should it occur. The velocity, proximity, and frequency of risk should also be considered if they are relevant to assessing the risk;

Risk assessment: means the overall process of risk identification, risk analysis and risk evaluation;

Risk appetite: means the amount of risk, on a broad level, the Institute is willing to accept in pursuit of value as provided in the risk criteria herein;

Risk avoidance: means an informed decision not to be involved in, or to withdraw from, an activity in order not to be exposed to a particular risk;

Risk capacity: means the maximum amount of risk that the Institute is able to absorb in the pursuit of strategy and business objectives;

Risk criteria: means a set of terms of reference against which the significance of risk is evaluated. It can be derived from standards, laws, policies and other requirements. Risk appetite and risk tolerance are terms also used to describe risk criteria;

Risk culture: means the attitudes, behaviors and understanding about risk, both positive and negative that influence the decisions of management and staff and reflect the mission, vision and core values of the Institute;

Risk champion: means a person who by virtue of his/her expertise or authority champions a particular aspect of risk management process but is not the risk owner;

Risk evaluation: means the process of comparing the results of risk analysis with risk criteria to determine whether the risk and/or its magnitude is acceptable or tolerable;

Risk governance: means the participation in the risk management process throughout the Institute by staff that are knowledgeable, skilled and competent in risk management;

Risk identification: means the process of finding, recognizing and describing risks. It involves the identification of risk sources, events, their causes and their potential consequences;

Risk inventory: means stock-take on all the risks that can impact the Institute. This term can be used interchangeably with "risk universe";

Risk management: means coordinated activities to direct and control the Institute with regard to risk. The term "enterprise risk management" can be used interchangeably;

Risk audit: means assessing of Institute's risk management framework;

Risk Management Committee: means a committee appointed by the CEO to manage the Institute's support of risk management;

Risk management framework: means a set of components that provide the foundations and institutional arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the Institute. Foundations include policy, objectives, mandate and commitment to manage risk. Institutional arrangements include plans, relationships, accountabilities, resources, processes and activities. The risk management framework is embedded within the Institute's overall strategic and operational policies and practices;

Risk management policy: means a statement of the overall intentions and direction of the Institute in relation to risk management;

Risk management process: means the systematic application of management policies, procedures and practices to the activities of communicating, consulting, establishing the context, and identifying, analyzing, evaluating, treating and reviewing risk;

Risk matrix: means the tool for ranking and displaying risks by defining ranges for consequence and likelihood;

Risk owner: means the person accountable for managing a particular risk within the Institute;

Risk register: means a record of information about identified risks related to a specific activity;

Risk reporting: means the form of communication intended to inform particular internal or external stakeholders by providing information regarding the current state of risk and its management;

Risk transfer: means a form of risk treatment involving the agreed distribution of risk with other parties. Risk transfer can be carried out through insurance or other forms of contract;

Risk strategy: means the specific management activities that are aimed at dealing with various risks associated with the business. It includes decision on risk tolerance levels and acceptance, avoidance or transfer of risks faced;

Risk tolerance: means the boundaries of acceptable variation in performance related to objectives;

Risk treatment: means the process to modify risk;

Stakeholder: means a person or entity that can affect, be affected by, or perceive themselves to be affected by a decision or activity of the Institute;

Strategy: means the Institute's plan to achieve its mission and vision and apply its core values; and

Threat: means potential source of dangers, harm or undesirable outcome. It is a negative situation in which loss is likely to occur and over which one has relatively little control. (A threat to one party may pose an opportunity to another).

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EXECUTIVE SUMMARY

Effective risk management is essential for sound governance, building a consistent appetite for and robust culture in risk management, improving decision making and enhancing outcomes and accountability. Risk information provides insight into and transparency over material operational, change/growth, disruptive and emerging risk.

The Institute is committed to provide reliable scientific information on emerging wildlife conservation and management challenges. Consequently, it has developed a risk policy which, establishes a structured framework for identifying, assessing, mitigating, and monitoring risks. Aligned to ISO 31000:2018 Risk Management Guidelines, this policy shall measure its success against the value creation principles and its ability to support the Institute in identifying and consistently analyzing risk and opportunities inherent in the strategic plan and operations. Applicable across all departments and functions, this policy promotes a unified approach to risk awareness and response

Training and awareness shall be a key pillar to enhance implementation and empower all staff to contribute towards mitigation of risks at the Institute.

FUNDAMENTAL STATEMENTS

A. VISION

A globally competitive wildlife research and training Centre.

B. MISSION

To conduct and coordinate wildlife research and training through innovation, knowledge and technology transfer for sustainable wildlife conservation and management

C. CORE VALUES

WRTI is guided by the following core values/principles) in its operations:

I. **Integrity:** We uphold honesty and transparency in all our operations.
II. **Professionalism:** We uphold high standards of conduct, competence and accountability in all activities to foster trust and credibility.
III. **Stewardship:** We nurture and foster environmental sustainability and responsible management of public resources.
IV. **Innovation:** We endeavor to explore and adopt new ideas, approaches and technologies.
V. **Partnership:** We create an environment that shall deliver competitive scientific output through collaborative research, capacity building and service delivery initiatives.
VI. **Quality:** We offer excellent research and training outputs and services.
VII. **Teamwork:** We uphold the spirit of working together to create synergy and cohesiveness towards common goals.
VIII. **Inclusivity:** We embrace gender and social diversity, equity, fairness, respect and community engagements

CHAPTER 1: INTRODUCTION

1.1 BACKGROUND

Recent trends in public sector management have laid emphasis on transparency and accountability. This has resulted in increased focus on governance of public institutions and the incorporation of risk management and financial controls. It is on this basis that the Institute has developed this risk management policy.

This Risk Management policy is guided by the principles of good governance, risk management and internal controls. It is benchmarked against global best practices aligned to the ISO 31000:2018 risk management standards.

The Institute is committed to managing risks to an acceptable level across all areas of its operations and programs to achieve its mandate. Hence, it recognizes that risk management is an integral part of the management process and desires this to become part of its culture. To effect this, Management shall communicate to all staff their role in risk management, and provide the means for staff to play that role.

The Institute shall work closely with other government agencies and departments to ensure that collaborative risk management arrangements are in place. In implementing all regulatory requirements, the risk management policy shall be a useful component of ensuring compliance.

1.2 THE PURPOSE

The purpose of this Policy is to establish a structured and proactive approach to identify, assess, mitigate, and monitor risks that could impact the Institute mandate. The aim of this Risk Management Policy Framework is to improve the ability to deliver the Institute's strategic goals in an effective and efficient manner by managing risks, enhancing risk awareness and entrenching a culture of risk awareness and management. It entails creating an environment where surprises are minimized, adds value to operational activities and communicates results and progress to our stakeholders.

1.3 RISK MANAGEMENT POLICY OBJECTIVES

(i) To provide a framework to identify and assess internal and external risks;
(ii) To identify and harness opportunities that protect and enhance the reputation of the Board;
(iii) To develop contingency plans, preparedness strategies and response to enhance risk resilience;
(iv) To incorporate a consistent approach to risk management into strategic planning processes of the Institute;

(v) To apply a consistent approach to risk response and control activities;
(vi) To provide a framework for formulation of risk management strategies and harnessing inherent opportunities; and
(vii) To protect and enhance reputation of the Institute.

1.4 SCOPE

This Policy shall be applicable to all processes, activities, initiatives, training and research programs of the Institute.

1.5 POLICY STATEMENT

Risk Management shall form an integrated part of planning, controlling and reporting procedures within the Institute. The Institute is committed to implementing the risk management framework for effective operations. This Policy sets out the process to manage and mitigate present and potential risks by the Institute.

1.6 RATIONALE OF THE POLICY

The National Treasury Circular Ref No. NT/IAG/GEN/235/(64) on Institutional Risk Management Policy Framework (IRMPF), requires public sector institutions to put in place institutional Risk Management Policy.

The Institute, being a State Corporation is obligated by the law and existing regulatory framework to develop and implement a risk policy. It is therefore necessary to enhance the Institute's efficiency and effectiveness in delivering its strategic objectives through risk awareness and management.

The successful implementation of risk management policy shall:

(a) Reassure stakeholders and partners about the Institute's capacity to meet its objectives, manage key risks and achieve its mandate .
(b) Improve Corporate Governance and Compliance Systems: Reduce legal challenges to the Institute, improve corporate governance, increase stakeholder satisfaction and relationships, and enhance the Institute's corporate image and culture.
(c) Manage adverse outcomes such as fraud through proactive steps and reduce to an acceptable level the safety and security risks to the Institute personnel, premises and assets.
(d) Help the Institute to cope effectively when actual risk incidents occur through mitigation plans, insurance and the systematic application of risk management processes.
(e) Ensure that the information about risks derived from the risk management process is accurately reported within the Institute and other stakeholders.
(f) Ensure that risk management information is used as a basis for decision making and accountability at all relevant levels of the Institute.

(g) Effective Operational Performance: Facilitate the exploration of innovative solutions to institutional and development challenges and higher likelihood of achievement of operational goals by managing risks that may impede their success.
(h) Improve Financial Performance: A high proportion of the Institute's objectives shall be achieved cost-effectively and the levels of internal fraud, corruption and possible misstatement of financial statements shall be reduced and there shall be equity in resource allocation. There shall also be increased efficiency by safeguarding the accountable use of resources.
(i) Improve Human Resource Management: Increase staff performance and productivity.
(j) Increase program effectiveness and relevance through adaptive and informed decision-making.
(k) Provide greater assurance regarding the management of significant risks.
(l) Enhance the reputation of the Institute as a value-driven and risk-informed government agency.
(m) Safeguard people and the environment.

CHAPTER 2: LEGAL FRAMEWORK AND ADMINISTRATIVE FRAMEWORK

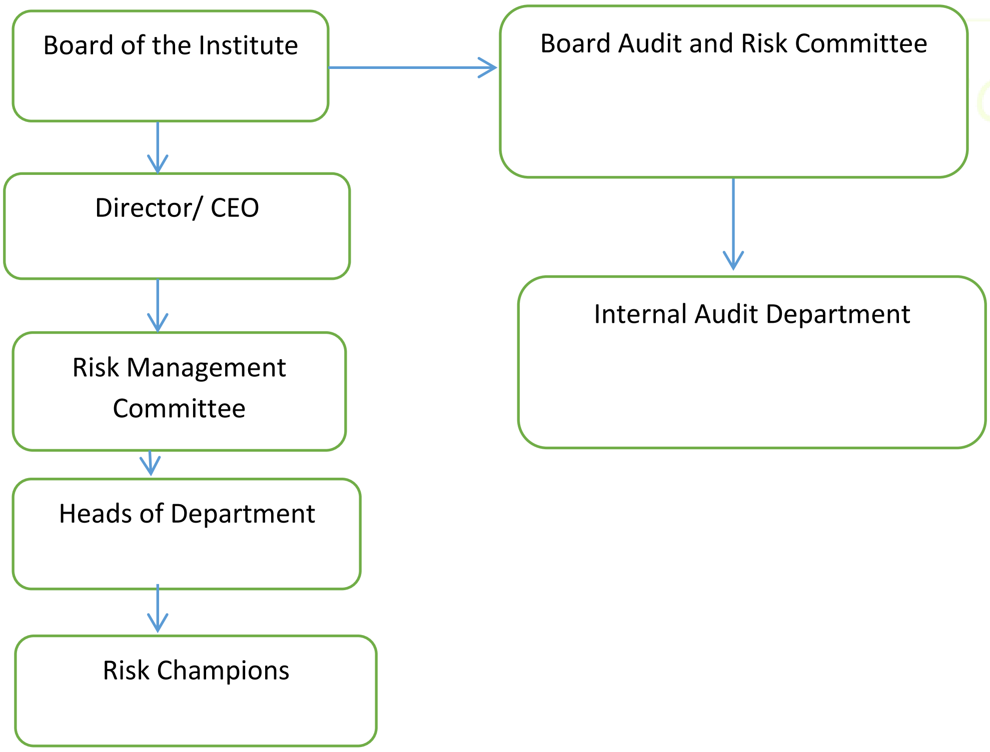
The Public Finance Management Act (Cap.412A) and the Public Procurement & Disposal Act (PPDA) (Cap. 412 C) require the CEO (Accounting Officer) to ensure that the Institute develops risk management strategies, that include a fraud prevention mechanism; and develop a system of risk management and internal audit control that builds robust checks in the Institute's operations.

The National Treasury Circular No. 3/2009 on Institutional Risk Management Policy Framework (IRMPF), requires public sector institutions to put in place institutional Enterprise Risk Management Framework. Other drivers of best practices of Enterprise Risk Management in public sector institutions include: International Professional Practices Framework (IPPF); Committee of Sponsoring Organizations of Treadway Commission (COSO) Framework; ISO 9001:2015 Quality Management Systems; ISO 31000: 2018 Risk Management Standard among others.

The Code of Governance for State Corporations *(Mwongozo)*, 2015 in Chapter three (3) requires the Institute to have adequate systems and processes of accountability, risk management and control.

2.1 RISK GOVERNANCE STRUCTURE

Risk management is the responsibility of the Board of the Institute, management and staff working towards a common goal to ensure that the objective is achieved. This policy is embedded within the current organization structure with reporting and communication channels as depicted below.



2.2 ROLES AND RESPONSIBILITIES

2.2.1 Board of the Institute

The Board is responsible for oversight and through the Internal Audit and Risk Management Department to ensure the maintenance of the Risk Management process and robust control by—

(i) ensuring the development of a risk management policy, which shall consider sustainability, ethics and compliance risks;
(ii) setting out their responsibility for risk management in the Board Charter;
(iii) Approving the Risk Management Policy;
(iv) delegating to management the responsibility to implement the risk management plan;
(v) receiving reports of the implementation of the risk management plan on a quarterly basis;
(vi) establishing a risk management function within the Institute;
(vii) ensuring adequate budgetary allocation to facilitate an efficient risk management process;
(viii) receiving from the Internal Audit division a written assessment of the effectiveness of the system of internal controls and risk management;
(ix) overseeing management of crisis and uncertainties related to the risk environment;
(x) approving of risk appetite and risk tolerances;
(xi) approving of risk catalog and assessment methods;
(xii) setting standards regarding risk policies and programs; and
(xiii) monitoring the quality of the programs.

2.2.2 Director/Chief Executive Officer

The Director/Chief Executive Officer shall play pivotal role in this process by ensuring that the structures put in place are working. The Director/Chief Executive Officer shall be informed of the progress from time to time by:

(i) Setting the tone for the Institute's risk culture, a risk-aware and risk responsible culture;
(ii) Establishing the necessary structures and reporting lines within the Institute to support risk management;
(iii) Inculcating a risk awareness culture; values and principles;
(iv) Providing leadership and direction in the implementation of the Board's Risk Management Policy;
(v) Ensuring that risk assessment is carried out on a continuous basis;
(vi) Reviewing and recommending to the Board , the Institute's risk profile and risk appetite;

(vii) Assigning responsibility to risk owners in order to facilitate the implementation of controls and risk mitigation strategies;
(viii) Receiving and reviewing reports from risk owners on the performance of controls and implementation of action plans to manage risks in their respective Divisions/ Departments/ Units;
(ix) Ensuring appropriate budgetary allocation to facilitate an efficient risk management process; and
(x) Regularly reporting to the Board on the implementation status of the Institutes Risk Management Framework.

2.2.3 RISK MANAGEMENT COMMITTEE

It is the role and responsibility of the Risk Management Committee to:

(i) Prepare and recommend changes to the risk management strategy;
(ii) Identify, assess risks and recommend actions at all levels;
(iii) Review and recommend to the CEO quarterly risk reports from the Internal Audit Division;
(iv) Monitor and evaluate the extent and effectiveness of integration of risk management;
(v) Monitor and evaluate the effectiveness of the mitigating strategies implemented to address the material risks;
(vi) Review the material findings and recommendations by assurance providers on the system of risk management and monitor the implementation of such recommendations;
(vii) Initiate a risk management review when key indicators show there has been significant changes/events; and
(viii) Monitor and review risk management practices, methodologies, tools, risk appetite and related disclosures.

2.2.4 Head of Division/Departments

These are the risk Owners, they shall take measures to avoid, minimize, or transfer the risk to a third party as well as following up the course of the risk over time and responding appropriately. Their roles are to—

(i) Implement of the risk management policy within their respective areas of responsibility, incorporating risk management into their planning processes and management activities;
(ii) Prepare and review risk registers and sign them off before they are submitted to the planning department for deliberations;
(iii) Provide guidance to the risk champions in their execution of their risk management roles to ensure that risks are promptly and accurately identified, assessed, responded to, reported on, and monitored;
(iv) Report on the status of items in the risk register as required;

(v) Receive, review and sign-off reports from the risk champions regarding the nature and extent of risks in their operations; and
(vi) Ensure that accurate and updated risk registers and reports are submitted to the Director/CEO on a timely basis through the Planning Division.

2.2.5 Risk Champions

Risk champions shall be drawn from each department/division and shall champion management of risks in their respective departments/division through—

(i) Implementation of the Policy objectives and regular review of progress against action plans for all risk items;
(ii) Regular review of the current list of risk items and making any necessary changes to the risk status of individual items;
(iii) Regular reporting of the status of risks;
(iv) Establish internal compliance and control systems for the implementation of the Risk Policy; and
(v) Assist in undertaking the internal risk audit.

2.2.6. Head Internal Audit

The Internal Audit shall—

(i) Give assurance that the processes used by management to identify all significant risks are effective;
(ii) Give assurance that risks are correctly assessed by management in order to prioritize them;
(iii) Evaluate risk management processes to ensure the response to any risks is appropriate and conforms to the Board's policies;
(iv) Review the management of key risks to ensure controls have been put into operations and are being monitored; and
(v) Prepare reports to the Board Audit Committee regarding the control environment within the Institute.

2.2.7 Staff

The Institute's staff shall be fully involved and adequately informed on the risks associated with their day-to-day activities and their responsibilities.

Staff shall include:

(a) Risk identification and reporting;
(b) Compliance to policies and procedures; and
(c) Implementation of agreed upon improvement action plans.

CHAPTER 3: RISK MANAGEMENT PROCESS

The Institute shall put in place preventive controls and other measures that ensure the risks do not adversely affect the achievement of its strategic objectives and reduce the impact if they do occur. These events may be political, economic, social, technological, environmental and legal.

This cycle of risk management procedures shall provide a framework for managing ad-hoc risks as they arise. Sufficient documentation shall be done at all levels of the Risk Management Process including explanations and evaluations that allow competent third party to understand the nature of the risk.

The process of assessing and mitigating risk is the responsibility of all staff. This process contains six (6) key stages as follows:

(i) Risk identification.
(ii) Risk assessment including Risk analysis and evaluation.
(iii) Risk ranking.
(iv) Risk mitigation and control.
(v) Risk reporting and communication.
(vi) Monitoring and evaluation.

3.1 RISK IDENTIFICATION

The Board of the Institute and all staff shall be responsible for identifying risks. Risk identification requires regular monitoring and assessment of multiple factors. The process requires a multi-dimensional approach and initiative.

The following may be used in aiding risk identification—

(i) Historical events and incidence inventories.
(ii) Facilitated workshops/brainstorming.
(iii) Interviews.
(iv) Questionnaires and surveys.
(v) Process-flow analysis.
(vi) Leading event indicators and escalation triggers.
(vii) Lost event data tracking.
(viii) Internal and external audit reports.
(ix) SWOT analysis.
(x) PESTEL analysis.
(xi) Feedback from stakeholders.
(xii) Budgeting process.
(xiii) Engagement of external consultant.
(xiv) Government Directives.
(xv) Observations.

3.2 RISK ASSESSMENT

Risk assessment allows the Institute to consider risk source through root cause analysis and the extent to which potential events shall have an impact on achievement of objectives.

The Institute shall assess risks both quantitively and qualitatively, then measure the risk in terms of impact and likelihood. The value of the risk shall be calculated by assigning a value to the likelihood (probability) of the risk materializing and the value of the impact on the objectives of the Board in the event of risk materializing. The positive and negative impacts of potential events shall be examined across the Institute. An action plan shall be developed to harness the opportunity (positive events) and the risks (negative events).

3.2.1 Root cause analysis

To conduct root cause analysis, the Institute shall apply a 'Five Why approach' by use of iterative questions aimed at identifying all potential causes of the risk.

3.2.2 Risk likelihood

For every risk identified, the Institute shall assign a probability score on its likelihood of occurrence. The probability shall range from 1 to 5 and shall be based on the table below.

Score	Description	Scoring criteria
1	Rare	History of no occurrence of the event. • The event may never occur.
2	Unlikely	History of no or seldom occurrence of the event. • The event may occur only in exceptional circumstances.
3	Possible	History of occasional occurrence of the event. • The event could occur at some time.
4	Likely	History of regular occurrence of the event. • The event is expected to occur in most circumstances.
5	Most Certain	History of normal occurrence of the event. • The event shall occur.

3.3 IMPACT

The effect on the existence and achievement of the Institute mandate if the risk occurs, elements of impacts include achievement of strategic/operational objectives, financial loss, brand, and regulatory requirements.

3.3.1 RISK RANKING AND ANALYSIS

Before deciding on the appropriate risk mitigating action, the Institute shall prioritize the risks based on an objective ranking of those risks in terms of their respective importance to its mandate. This shall help in the allocation of resources to mitigate risks more efficiently and effectively.

The overall ranking of risks shall be into five broad levels, namely;

(i) Critical
(ii) High
(iii) Medium
(iv) low
(v) Minor

Identified risks shall be analyzed on the weights of the likelihood of occurrence and projected consequences to determine if they are critical, high, medium, low or minor risk as shown in the figure below:

Risk Matrix Table

Consequences	Likelihood				
	Rare (1)	Unlikely (2)	Possible (3)	Likely (4)	Most Certain (5)
Critical (5)	Minor	Low	Medium	High	Critical
High (4)	Minor	Low	Medium	High	High
Moderate (3)	Minor	Low	Low	Medium	Medium
low (2)	Minor	Minor	Minor	Low	Low
Minor (1)	Minor	Minor	Minor	Minor	Minor

Key **Critical**: 21-25 **High**: 16-20 **Moderate**: 11-15 **Low**: 6-10 **Minor**: 1-5

Risk Action Per Level Table

The definition and recommended actions for the risk levels is tabulated in the table below:

Abbreviation	Risk Rating	Action
C	Critical Risk	i. The risks should be immediately be reported to the Board. ii. The Board should immediately allocate an action team and resources for immediate correction. iii. Engagement of activities should not be started or continued until the risk response has been identified and action plan put in place. iv. Board shall avoid the risk by prohibiting engagement on the activity/ programme/project.
H	High Risk	i. These are risks that have the greatest impact on the Institutes success and have a high probability of occurrence. ii. They may have an impact at the strategic level. iii. Engagement in activities/program should not be started until the risk response has been identified and action plan put in place. iv. Where the risk involves work in progress, urgent action should to be taken. v. The Board of Directors attention is needed.
M	Medium Risk	Remedial action is to be taken at appropriate time
L	Low Risk	Remedial action is discretionary. Procedures are to be in place to ensure risk level is maintained.
M	Minor Risk	The Institute may ignore them because the cost or effort of dealing with them may outweigh the benefit.

3.4 RISK RESPONSE

After assessing relevant risks, management shall determine how it shall respond to risks. In considering its response, management shall evaluate the effect on risk likelihood and impact, as well as cost and benefit, selecting a response that brings residual risks within desired risk tolerance and appetite, best approach for risk mitigation which may include:

a) **Avoidance –** An activity may be terminated by the Institute if it is out of appetite and deemed too risky. Choosing avoidance suggests management has not been able to identify a response that would reduce the risk to an acceptable level of severity.

b) **Reduction** -Treating risks involves the Institute taking corrective action to reduce the negative or maximize the opportunity that come along with the risk. For negative magnitude of risks action taken shall reduce likelihood or impact or both.

c) **Risk Transfer -** This is achieved by the Institute transferring the risk, for example by insurance or paying a third party to take the risk in another way.

d) **Risk Acceptance-** This is risk that is accepted by the Institute without the need for any further mitigating measures. Acceptance of risks that are out of appetite requires appropriate Directors/CEO approvals and material risk is escalated to the Board of the Institute.

CHAPTER 4: RISK REPORTING (COMMUNICATION)

It is important to ensure that knowledge about risks is shared across the Institute. Risk communication shall comprise of but is not limited to the following tools:

(i) Risk register
(ii) Risk Action plans
(iii) Risk escalation reports

Risks register.

The Internal Audit and Planning Divisions shall maintain an up-to-date register of all the risks identified and details of how they have been disposed of. This register shall be available for inspection by the Board Audit and Risk committee and Director/CEO.

Risk Action Plan.

The heads of departments/divisions shall put in place an effective action plan when either the existing controls are ineffective or require improvement, or in the unlikely event that no controls exit at all. Risk action plans shall comprise one or more actions that remedy identified risks or control weakness when recording the risk treatment in the risk registers, the descriptions shall detail who is doing what and what is it they are doing.

Risk Heat Map (Risk escalation reports)

Risks deemed to be critical, high and significantly out of appetite and described as being out of risk tolerance report should be presented to the Audit and Risk Committee on a quarterly basis.

CHAPTER 5: RISK MONITORING

Risks shall be continually monitored at all levels of the Institute and their likelihood and potential impacts validated by various information.

Regular risk reviews shall be carried out, these risk reviews shall be conducted concurrently with performance planning and management processes. Reviews shall also provide essential feedback loop to continually reassess risks in a dynamic environment and trigger escalation and mitigating actions where risks drift outside of appetite.

5.1 RISK APPETITE STATEMENT

Risk appetite is the overall level of exposure to risk that is acceptable to the Board in pursuit of its strategic and operational objectives.

The Institute risk appetite shall be expressed as the boundary which shall not be tolerated and further actions taken to mitigate risk.

Management shall be mandated to ensure that the it operates within the tolerance limits.

The Institutes risk appetite is categorized into two:

(a) Zero tolerance risks such as
  (i) Corruption and bribery;
  (ii) Involvement in fraudulent activities or with organization(s) and/or person(s) involved in fraudulent activities; and
  (iii) Non-compliance to laws, regulations, policies and procedures

(b) Partnerships or collaborations with organization(s) that are not in tandem with the Institutes ethos.

5.2 RISK CULTURE

Risk culture refers to the overall attitude and approach the Institute takes towards risk. A mature risk culture ensures that greater importance is attached to understanding of risk and risk is considered in strategy and decision making throughout the Institute. Key components of risk culture at the Institute are:

(a) **Leadership role modelling**

Support at the top is a vital component of risk culture at the Institute. Effectiveness of the mitigating controls shall be evaluated and improvement action plans discussed and implemented.

(b) **Enforcing accountabilities for all actions**

Management shall document policies of accountability and adhere to them, demonstrating to staff the lack of accountability is not tolerated.

(c) **Embedding risk in decision making**

Management shall address risk consistently when making key decisions.

(d) **Risk ownership**

Risk ownership shall be demonstrated at every level of the Institute. Every member of staff shall play a role to ensure risk management is rooted in operations and take personal accountability for risk.

(e) **Risk facilitation**

Risk facilitation shall ensure that the Institutes Audit and Risk Committee in conjunction with the Audit Department plays a key role in strategic decisions, and have an important role to play in setting the organization's strategic objectives.

5.3 RISK MANAGEMENT STRATEGIC APPROACH

The risk management strategic approaches of the Institute shall be designed to effectively address the risks associated with its mandate and its strategic pillars these strategic approaches encompass a set of principles, objectives and actions that guide the Institute to identify, assess, and manage risks in its vision. Here are some key risk management strategic approaches;

Data-Driven Risk Assessment

The Institute shall conduct wildlife research to generate evidence based and data-driven risk assessments to influence decision making and policy direction This approach helps prioritize high-risk areas and tailor interventions accordingly.

Collaboration and Partnerships

Institute shall form partnerships with local and international organizations, governments, NGOs, and community leaders to pool resources, share expertise, and coordinate efforts to effectively address financial constraints.

Technology

The Institute shall leverage on the power of data analytics, artificial intelligence and automation to improve the quality, speed and efficiency of risk identification, assessment and response. This shall enable the Institute to explore new technologies and platforms that bring new ways of delivering value.

Innovations

The Institute shall seek to learn from the best practices and experiences from their peers and partners through forums and events where ideas, insights and feedback is exchanged. Further, the Board shall invest in extensive research and knowledge management. This shall enable the Board to harness the best strategies for risk management.

Climate change

The Institute shall develop an effective climate governance structure to ensure that the Institute properly assesses climate related risks and opportunities arising from various lines of operations and takes appropriate strategic decisions on how to manage those risks and opportunities.

5.4 FRAUD MANAGEMENT

The Institute is fully committed to the Public Service values of accountability, probity, and openness and particularly recognizes the need to ensure the highest standards of probity by reducing the risk of fraud**.**

5.5 POLICY REVIEW

The overall responsibility for interpreting this policy lies with the Director/CEO in consultation with the Head of Internal Audit. The policy shall be reviewed after every three (3) years or as need arises.

5.6 CONTRAVENTION OF POLICY

Failure to comply with the obligations under this policy shall lead to disciplinary action taken by the Institute by the in accordance with the Code of Conduct and Human Resource Policy and Procedure Manual.