

CLIMATE INVESTMENT FUNDS

August 15, 2013

DUTIES AND RESPONSIBILITIES OF A SENIOR RISK MANAGEMENT OFFICER

I. INTRODUCTION

1. At their joint meeting in November 2012, the CTF Trust Fund Committee and the SCF Trust Fund Committee agreed to establish an Enterprise Risk Management (ERM) Framework to enhance the frequency and quality of CIF project-related information and to allow the CIF Committees to take risk-informed decisions when exercising their responsibilities to oversee the operations and activities of the CIF. The ERM is currently being further elaborated through a working group comprised of representatives from the CIF Administrative Unit, the CIF Trustee, and risk management specialists from the CIF MDB partners.

2. It is proposed that the CIF Administrative Unit recruit a senior risk management officer to manage and facilitate implementation of the CIF Enterprise Risk Management program. The joint meeting of the CTF and SCF Trust Fund Committees in April 2013 requested the CIF Administrative Unit and Trustee to prepare proposed terms of reference for a Senior Risk Management Officer and to circulate to the terms of reference, together with a breakdown of the budgetary requirements, for review and approval by mail.

II. DUTIES AND ACCOUNTABILITIES OF A SENIOR RISK MANAGEMENT OFFICER

Overall Objective for Position:

3. As a staff member of the CIF Administrative Unit, the Senior Risk Management Officer would coordinate/oversee the implementation of the CIF ERM Framework, facilitate communications and the flow of data and information between stakeholders and support the taking of risk informed decisions by the CIF Committees.

Overall Responsibilities:

4. Working in collaboration with colleagues in the CIF Administrative Unit, the MDBs and the Trustee, the Senior Risk Management Officer would:
- a) Manage the development and execution of an ERM Framework and related implementation plan
 - b) Ensure the ERM Framework meets the requirements of the CIF Committees
 - c) Coordinate all requests and flow of information/data between the CIF Administrative Unit, the CIF trustee, the MDBs and CIF Committees with respect to the ERM Framework
 - d) Provide ongoing leadership and guidance on risk management to CIF Committees and Sub-Committees, MDB Committee, Trustee and CIF Administrative Unit
 - e) Monitor and analyze the risk profile of the CIF portfolio and ensure that significant risks are identified and reported, as agreed in the ERM Framework and implementation plan

- f) Monitor systems and processes necessary to implement the ERM for appropriateness and effectiveness
- g) Review CIF policy changes with a view to assessing the potential impact on the ERM Framework
- h) Champion the consistent use of risk management assessment tools and ownership of risk by relevant CIF stakeholders
- i) Perform other duties as requested by the CIF Committees or the Head of the CIF Administrative Unit

III. SELECTION CRITERIA AND EXPECTED COMPETENCIES

- a) Master's degree in business, economics, accounting, finance or risk management
 - b) 10 years of relevant experience
 - c) Experience in enterprise risk, and experience in at least one of the following: financial risk, operational risk or strategic risk management
 - d) Thorough understanding of COSO or ISO 31000 ERM framework is desirable
5. In addition to the above, candidates should be able to demonstrate:
- a) A working understanding of the MDB processes and project management and an in-depth knowledge and understanding of project management concepts as they relate to the implementation of complex projects in varied geographical and economic conditions.
 - b) A deep understanding of business processes and systems and ability to review and analyze business processes and systems, recommend improvements, enhance internal controls, and implement changes, and familiarity with MDB processes and systems.
 - c) Familiarity with portfolio management concepts, risk and control indicators and the analytical tools needed to perform the associated analyses.
 - d) A broad understanding of general accounting principles, risks and controls, financial concepts and financial transaction processes, including an understanding of international financial reporting and capital adequacy standards for banks..
 - e) Ability to interact with all CIF stakeholders (Committees, MDBs, Trustee, and the CIF Administrative Unit) and maintain strong working relationships in the face of

conflicting demands or directions by providing evidence-based advice and solutions based on sound diagnosis and knowledge.

- f) Business judgment and analytical decision making through gathering of inputs, assessment of risk, consideration of impacts and articulation of benefits of decisions for internal and external stakeholders over the long term.
- g) Ability to share best practices, trends, knowledge and lessons learned, articulating ideas verbally and in writing in a clear and compelling way across audiences of varied levels.
- h) Familiarity with relevant industry financial, risk management and other information systems or software programs.
- i) Good teamwork, collaboration and inclusion .
- j) Strong communication skills, both written and verbal, in English.

IV. BUDGETARY REQUIREMENTS

6. Based on the duties and responsibilities of the senior risk management officer, the position will be recruited at the level of Grade G. Based on the human resource policies of the World Bank Group, which houses the CIF Administrative Unit, the overall cost of a Grade G position is estimated to be USD 250,000 annually. This cost includes: (a) a salary estimated for budgetary purposes at the market reference point for a Grade G position. The market reference point is the point in the Bank Group's salary ranges which is aligned with salaries at comparable levels in the local labor market at the 75th percentile and published by the Vice President, Human Resource Services, at the time of the WBG annual salary review. The current market reference point for a Grade G position is \$144, 700; (b) the costs of benefits provided under the human resource policies of the WBG, estimated at 50% of the salary; and (c) indirect costs which are charged by the WBG to cover services such as office space, IT package, office equipment, furniture, etc. which are estimated at \$786.40/staff week for a staff year. If the Trust Fund Committees agree that the CIF Administrative Unit should proceed to recruit a senior risk management officer, USD 125,000 to cover these costs for six months (taking into account the time required to recruit a person for this position) would need to be added to the FY14 administrative budget for the CIF Administrative Unit that was approved by the joint meeting in April 2013.