



UFUK
İnsani Yardım Derneđi

UFUK ASSOCIATION FOR RELIEF AND DEVELOPMENT

Risk Management Approach



1. Purpose and Scope

This document outlines the **Risk Management Approach** of the UFUK Association for Relief and Development (hereinafter referred to as the “Association”).

The purpose of this framework is to ensure that risks — whether operational, financial, strategic, reputational, or external — are **identified, assessed, mitigated, and monitored** systematically, to protect the organization’s mission, beneficiaries, and resources.

This approach applies to **all departments, programs, projects, and field operations**, both within Türkiye and in international contexts such as Palestine, Gaza, and other crisis-affected regions.

2. Guiding Principles

UFUK’s risk management approach is guided by the following principles:

- **Proactivity:** Anticipate and address potential risks before they escalate.
- **Integration:** Risk management is embedded in all organizational and project planning processes.
- **Accountability:** All staff share responsibility for identifying and managing risks.
- **Transparency:** Risks and mitigation measures are documented and communicated clearly.
- **Continuous Improvement:** Lessons learned are used to strengthen systems and reduce future vulnerabilities.

3. Risk Categories

UFUK recognizes several key categories of risk:

a. Strategic Risks

Risks that may affect the organization’s ability to achieve its mission and objectives. Examples: changing donor priorities, political restrictions, or loss of strategic partnerships.

b. Operational Risks

Risks affecting project delivery, field operations, or beneficiary outcomes. Examples: access limitations in conflict zones, delays in procurement, or staff turnover.

c. Financial Risks

Risks related to misuse of funds, exchange rate fluctuations, or donor non-compliance. Examples: fraud, mismanagement, lack of liquidity, or audit findings.

d. Compliance and Legal Risks

Risks arising from failure to comply with laws, regulations, or donor contracts. Examples: tax obligations, licensing, or non-compliance with labor or data protection laws.

e. Reputational Risks

Risks that may harm the Association's credibility or stakeholder trust. Examples: negative media coverage, partner misconduct, or project failures.

f. Security and Safety Risks

Risks to staff, volunteers, or assets in insecure environments. Examples: conflict escalation, field incidents, or inadequate safety protocols.

g. Safeguarding and Ethical Risks

Risks of exploitation, abuse, or misconduct that may harm beneficiaries or staff. Examples: safeguarding breaches, harassment, or ethical violations.

h. Environmental and Climate Risks

Risks related to natural disasters or environmental degradation impacting project sustainability.

4. Risk Management Process

UFUK follows a four-step **risk management cycle**:

1. Identification:

All departments regularly identify potential risks at strategic, programmatic, and operational levels. Tools include risk checklists, brainstorming sessions, and lessons learned from previous projects.

2. Assessment:

Each identified risk is evaluated in terms of **likelihood** (probability of occurrence) and **impact** (potential severity).

Risks are categorized as **High, Medium, or Low**, and recorded in the **Risk Register**.

3. Mitigation and Control:

Mitigation plans are developed for each significant risk, including preventive actions, contingency plans, and assigned responsibilities. Examples:

- Backup suppliers and alternative logistics routes,
- Dual authorization for financial transactions,
- Security briefings and evacuation procedures,
- Staff training on safeguarding and compliance.

4. Monitoring and Review:

The Risk Register is reviewed quarterly by management and annually by the Board. Significant risks are discussed in management meetings and donor reports. Monitoring also includes field-level reporting and early warning indicators.

5. Governance and Responsibilities

- **Board of Directors:** Provides strategic oversight and approves the Risk Management Framework.
- **Executive Management:** Oversees implementation and ensures all departments integrate risk control measures.
- **Department Heads and Project Managers:** Identify, record, and manage risks within their respective areas.
- **Internal Auditor:** Monitors risk mitigation compliance and reports to management.
- **All Staff and Volunteers:** Responsible for promptly reporting emerging risks or incidents.

6. Risk Register and Reporting

UFUK maintains a **centralized Risk Register**, documenting:

- Identified risks and categories
- Likelihood and impact ratings
- Mitigation measures
- Responsible persons
- Status and review date

Risk summaries are included in project monitoring reports, donor reports, and annual management reviews.

7. Contingency and Crisis Management

For high-risk contexts (e.g., Gaza and other active conflict areas), UFUK maintains:

- **Emergency response and evacuation plans,**
- **Business continuity plans** to ensure uninterrupted operations,
- **Communication trees** for rapid information flow,
- **Insurance coverage** for staff, assets, and field operations.

8. Integration with Organizational Systems

Risk management is not a standalone process but is embedded in:

- Project design and approval,
- Procurement and financial management,
- Safeguarding, security, and MEAL frameworks,
- Strategic planning and donor compliance systems.

9. Review and Continuous Improvement

This Risk Management Approach is reviewed **annually** by the management and approved by the Board of Directors. Findings from audits, evaluations, and lessons learned are incorporated into updated risk prevention strategies.

Sincerely,

The Board of Directors and Legal Team of UFUK Association for Relief and Development

For detailed questions, please contact,

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