ICPAK is an Institution mandated to protect and uphold public interest as well as develop and regulate the accountancy profession in Kenya

Welcome to ERM Academy: A Global Learning Centre for Risk Professionals

ICPAK Risk Management Workshop

Mombasa Kenya | 11-13 September 2019

Economic Risk & Accounting Standards


risk.
is it in
you?
SECURITIES
DEBENTURE
FINANCIAL RISK
MONEY
INVESTMENT
OBLIGATION
Kenya Airways Ltd (KQ)
Average Price: 3.5
SMA (20): 3.78
Vol: 0.174M
Bollinger (20, 2): 3.502 - 4.058
Jun 2016
Jul
Aug
© live.mystocks.co.ke

Content

Objectives of the Sessions

- Understand fundamental of risk management
- Appreciate global trends that affect economic risk
- Gain understanding of economic risk management
- Understand implication of economic risk to financial reporting

Defining Risk

- ❑Definition and Context of ERM
- ❑Drivers, Benefits and Feature of ERM

Defining Risk and Risk Management

What is Risk?

- ‘Uncertainty of loss from an exposure or failure to capitalize on arising opportunity’
- Loss-real loss or not making a gain, usually negative in nature
- Real or Perceived
- Risk has no religion
- Risk has no Borders “ Systematic Risk, commodity pricing etc.)

ISO31000: 2018 Risk Management Standard+ Risk Principals => 'effect of uncertainty on objectives

Subsequently is about application of resources to minimize, monitor, and control the probability and/or impact of Downside events or to maximize the realization of opportunities

Defining Risk and Risk Management.....

Basic principles, concepts, definitions

- A risk is **ANYTHING** that may affect the achievement of an organization's goals objectives
- It is the **UNCERTAINTY** that surrounds future events and outcomes.
- **The Risk Measure:** It is the expression of the likelihood and impact of an event with the potential to influence the achievement of an organization's objectives
- "**ERM defined as** … a process, effected by an entity's board of directors, management and other personnel, applied in strategy setting and across the enterprise, designed to identify potential events that may affect the entity, and manage risks to be within its risk appetite, to provide reasonable assurance regarding the achievement of entity objectives."Source: *COSO Enterprise Risk Management – Integrated Framework. 2004. COSO*

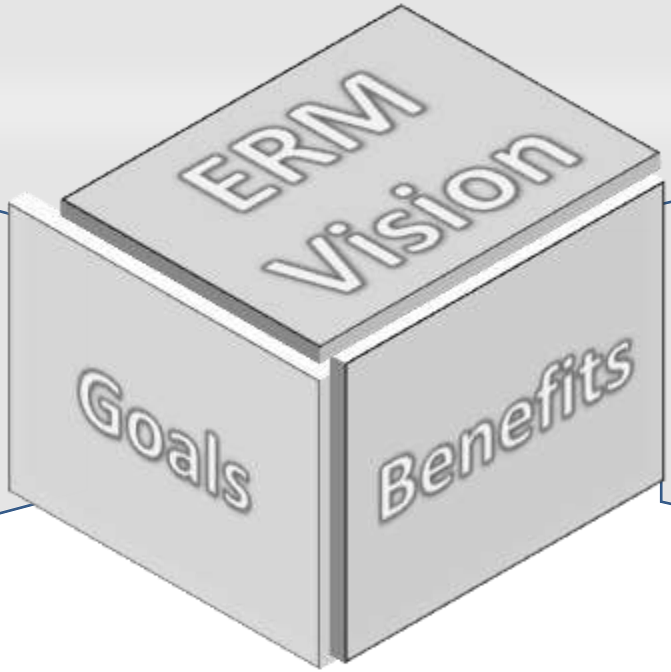
ERM – Leading Practices

Pillar	Leading practices
Governance	**Governance** • Continuously improving corporate stewardship over strategic priorities • Meet Credit Rating agencies' expectations with regards to risk, to ensure "no surprises" culture • Board and senior management using RM as integrated governance structure
Strategy	**Strategy** • Beyond regulation: Leveraging ERM to create a competitive advantage versus industry peers • Focus on improved understanding of threats to strategy through evaluation of prioritized risks – Achieving strategy
Performance	**Performance** • Improve accountability and transparency through coordinated enterprise risk monitoring and reporting • Improve efficiencies of risk assurance across functions

ERM Drivers

Enable the company to become a more risk intelligent enterprise thereby improving business results and protecting the company's brand and reputation

To embed a risk management mentality within the organization's existing processes



- Provides a continuous focus on the risks that matter to the company
- Drives accountability
- Increases transparency by using key metrics to measure success
- Provides independent perspective

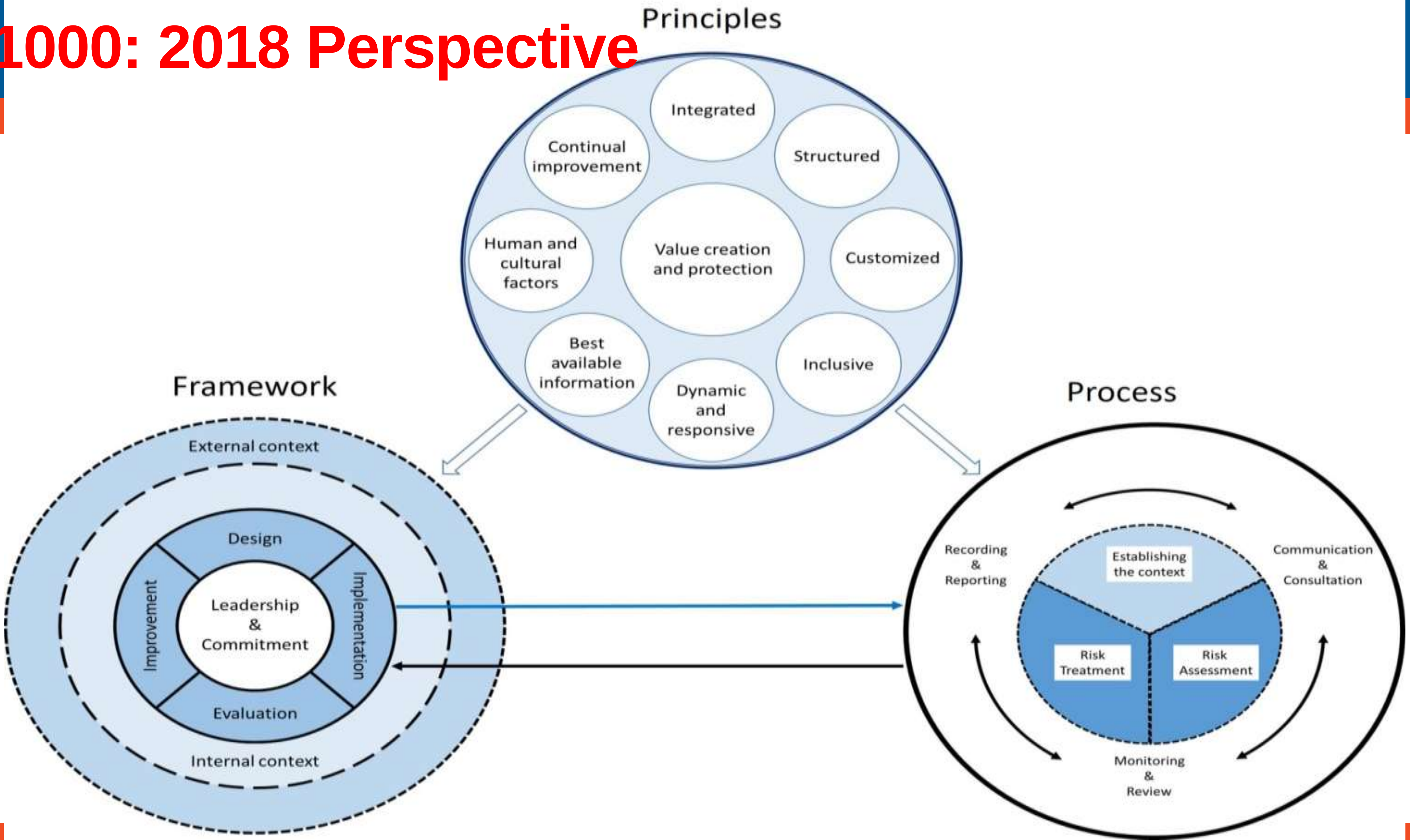
ERM Creates Value *

- ERM can give competitive advantage .
- Add value for stakeholders.
- Set tone and visibility of acceptable and terror able risk exposures.
- Increases the credibility of the organization.
- Can be the means of laying off "non-core" risks which increases the firm's capacity for bearing "core" risks the firm chooses to retain.
- Increases efficiency.
- Increase resilience and avoid surprises
- Allows strategic or business risks taking prioritisation.
- Facilitates/encourages innovation.
- Allows management to reduce non-core exposures-ERM.
- Increases confidence through assurance.

COSO-Enterprise Risk Management Framework

Mission, vision & core values	Strategy Development	Business Objective Formalation	Implementation & Performance	Enhanced Value
Governance & Culture	**Strategy & Objective-Setting**	**Performance**	**Review & Revision**	**Information, Communication, & Reporting**
1. Exercises Board Risk Oversight 2. Establishes Operating Structures 3. Defines Desired Culture 4. Demonstrates Commintment to Core Values 5. Attracts, Develops, and Retains Capable Individuals	6. Analyzes Business Context 7. Defines Risk Appetite 8. Evaluates Alternative Strategies 9. Formulates Business Objectives	10. Identifies Risk 11. Assesses Severity of Risk 12. Prioritizes Risks 13. Implements Risk Responses 14 Develops Portfolio View	15. Assesses Sustantial Change 16. Reviews Risk and Performance 17. Purses improvement in Enterprise Risk Management	18. Leverages Information and Technology 19. Communicates Risk Information 20. Reports on Risk, Culture, and Performance

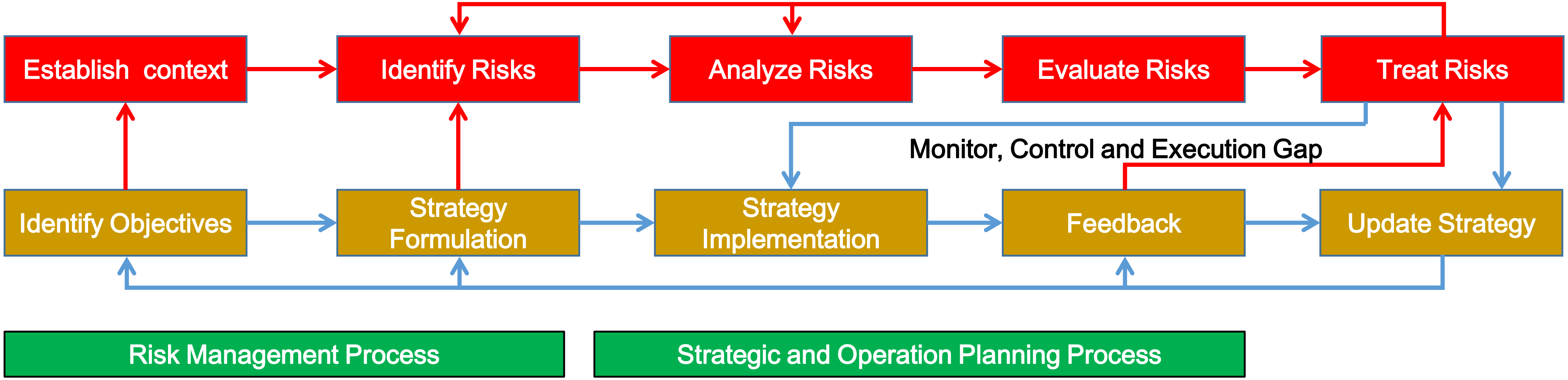
ISO 31000: 2018 Perspective



Process for Managing Risk

Liking Risk Management to other business process

Risk & business planning process: Risk management is designed to identify, analyze, evaluate, treat and monitor risks that exist in the strategic planning and operational processes that may impede the achievement of the targets to be achieved



Source: VMIA, *Risk Management – Developing and Implementing a Risk Management Framework* (2010)

Trends

- Risky Trends and Challenges
- Kenya Key Risks

Strategic Alignment-Be part of the Big Picture

Global Goal –SDGs

Big 4 Agenda- Part of Vision 2030

- Universal Healthcare,
- Manufacturing,
- Affordable Housing and
- Food Security,

Vision 2030

- Infrastructure.
- Science, Technology and Innovation.
- Public Sector Reforms.
- Tourism.
- Agriculture.
- Trade.
- Manufacturing.
- BPO
- Financial Services.
- Education & Training

Governance Requirement

- **The Corporate Governance framework Mwongozo (Specifically Chapter Three-Accountability, Risk Management and Internal Control)**
- The Corporate Governance framework developed into this Code embodies the six principles of good governance developed by OECD
- *OECD Guidelines on Corporate Governance of State-Owned Enterprises*
- *ISO 31000 Risk Management Guidelines*
- *Kings IV Code*
- *COSO Integrated Control Framework*
- *Corporate Governance –CMA*

Global Issues & Challenges

Leadership Focus concurrently on key horizons:

Transforming today to future Enterprise/Nations

Identify and realize the full potential

Winning Enterprise

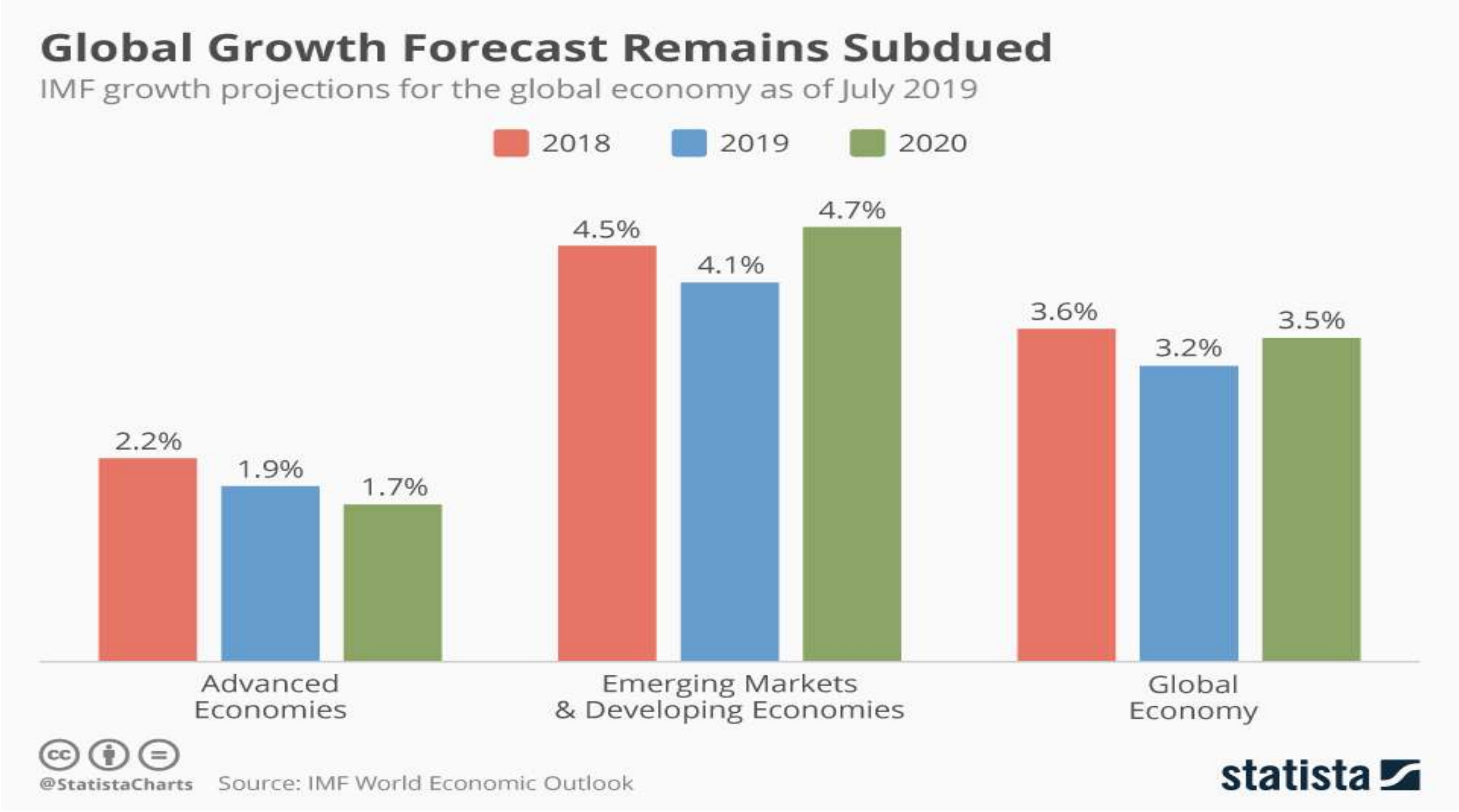
Making Present Business Effective

Achieve Objectives in complexity of Risk

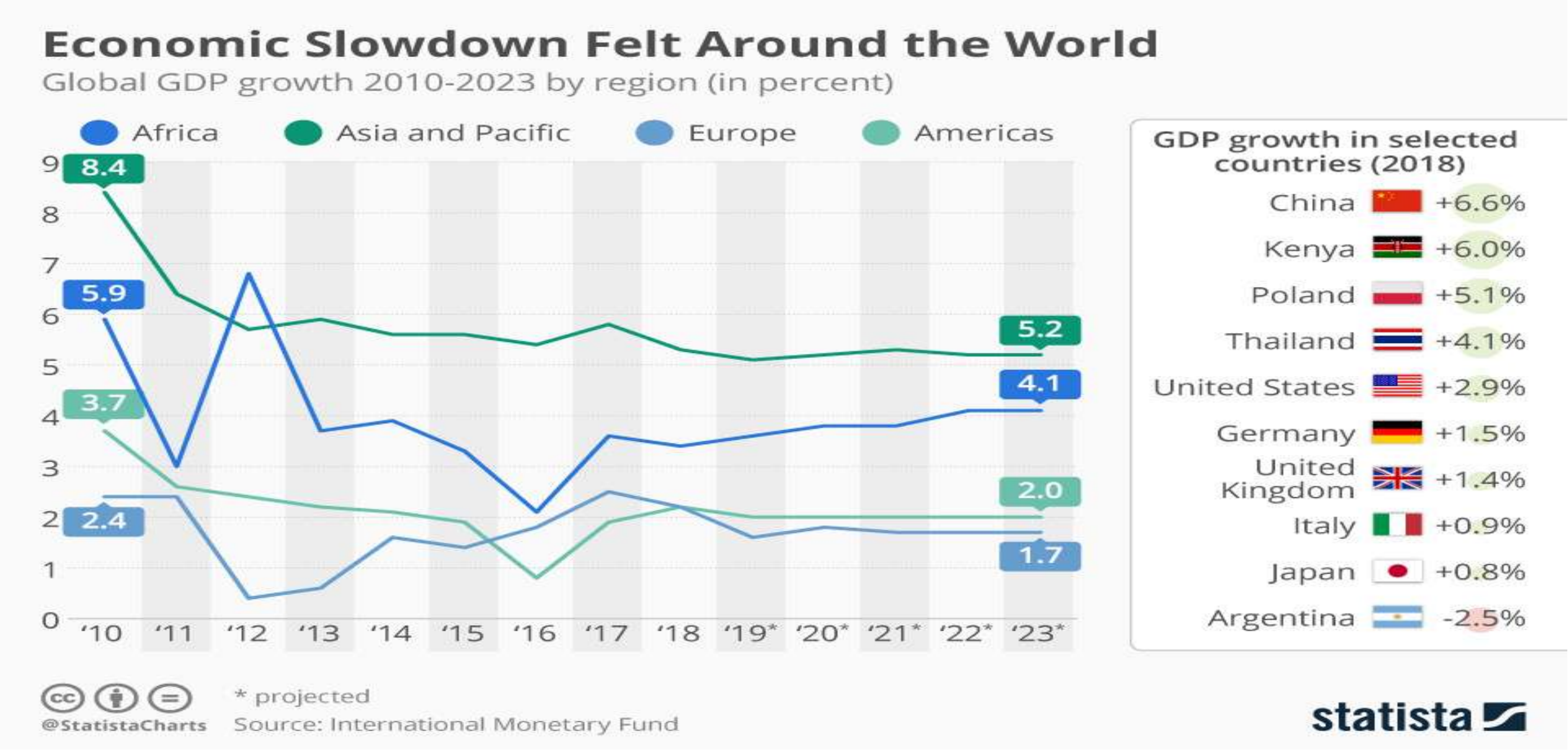
Attaining Risk resilience help organization achieve winning performance:

Skills, expertise knowhow borrowed from Risk management best Practices and calibrated to suit the specific business type and industry are key to achieve this footing

Global Trends



Global Trends..........



Kenya Macro-Economic Indicators

Economic Risks Are Growing Fast

Overall changing of the focus and beliefs of the masses in many locations worldwide, a fact manifested in recent events including the the 'Brexit;' D Trumph; the rise of far-right political groups worldwide; potential tariffs and trade wars. Now in this new world order, we face of many scenarios which could lead to increased risk, detrimental forces to our economy and the economies of other nations around the globe. Some of the potential landmines which everyone should be keeping an eye on include, but are not limited to: **The " Velocity of Money, insecurity , Demonetization, Trade War, beyond the cancer of corruption.**

	2016	2017	2018 (e)	2019 (f)
GDP growth (%)	5.9	4.9	6.1	5.7
Inflation (yearly average, %)	6.3	8.0	4.7	5.5
Budget balance (% GDP)*	-7.7	-8.6	-7.1	-6.3
Current account balance (% GDP)	-5.2	-6.6	-5.5	-5.3
Public debt (% GDP)	52.3	55.7	57.1	56.9

(e): Estimate. (f): Forecast. *Fiscal year from 1st July - 30th June 2019 data: FY18/19.

STRENGTHS

- East Africa's leading economy, playing a pivotal role in the East African Community, the number-one African common market
- Diversified agriculture and expanding services sector (telecommunications and financial services)
- Improving business and governance climate
- Fast-growing population and emerging middle class

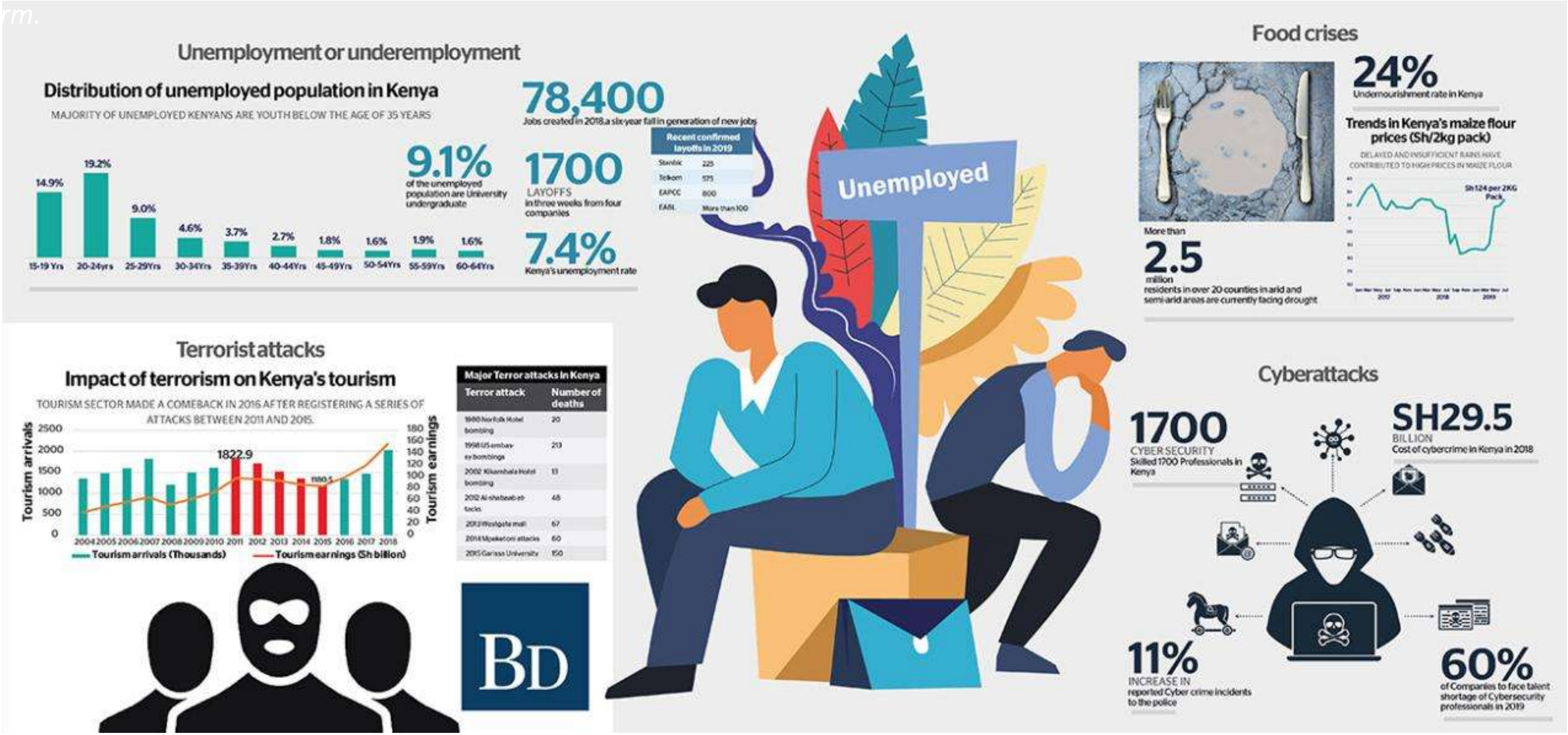
WEAKNESSES

- Dependent on hydropower and rain-fed agriculture
- Persistent bottlenecks and skills shortages
- Instability related to terrorist risk and political, social and ethnic divisions
- Persistent corruption

According to World Bank, Kenya's debt service ratio is currently at 10.6 per cent, having doubled from a single digit of 5.3 per cent in 2013. Data from the Central Bank of Kenya shows Kenya's total public debt hit Sh5.8 trillion in June, Sh2.78 trillion from local market and Sh3.02 trillion borrowed externally

Kenya’s Top Risk

…there are several structural, environmental, political and cultural and reasons for thinking that risks will remain very high in the medium term.



Understanding Economic Risk

- ❑Definitions
- ❑Context Economic Risk
- ❑Managing Economic Risk

Economic Risk

- At Micro-level , **economic risk** can be described as the likelihood that an investment will be affected by macroeconomic conditions such as government regulation, exchange rates, or political stability, most commonly one in a foreign country.

- Economic risk is, however, a nebulous term with various definitions. In a nutshell, economic risk refers to the risk that a venture will be economically unsustainable, due to various reasons vitiating from an alteration in economic trends and activities which affect a project's or investment outcome.

- The **economic risks** may include exchange rate fluctuations, a shift in government policy or regulations, political instability, or the introduction of **economic** sanctions.

- Political risks can often be separated from economic ones. For example, conflict/wars, change of a political party with different attitudes, Brexit.

Defining Economic Risk……

- Most economic risk that can be traced back to politics. Exemptions like something like the tsunami that devasted part of Japan some years ago hurt the economy without political intervention – but it's origins were environmental.

- Political action often has economic consequences so that President Trump's political decision to have 25% tariffs on China steel makes exports of steel to the US less competitive economically.

- For the professional articulation having to categories risks if the factor uses a economic term (such as tax, inflation, exchange rates, tariffs, boom/bust) then you are probably supposed to call it economic.

Sampled Economic and Political Risk types

❖Economic and financial

- **Sovereign:** risk that a government will default on its debt.
- **Exchange rate:** risk of a significant movement in the exchange rate.
- **Trade credit**: risk that a trading partner will not pay its obligation.

❖Political

- **Political stability:** the stability of the current government and the overall political system.
- **Ideology and policy:** ideological and policy orientation of the current and future government.
- **International relations:** with neighbours, trade partners and the international community.

Source: Oxford Economics

❖Business and market

- **Business environment:** risks relating to the influence of societal and structural factors on business activity, including state and non-state actions.
- **Operating cost:** risk that operating costs rise faster than recent trends.
- **Market demand:** risk that market demand could be significantly different to recent trends.

❖Security and social cohesion

- **Security environment:** outlook for the domestic security environment - encompassing war, crime, violent unrest, terrorism, insurgency and other security issues.
- **Social cohesion:** outlook for social stability, the prospect of social unrest and the significance of socio-cultural issues to policymaking.

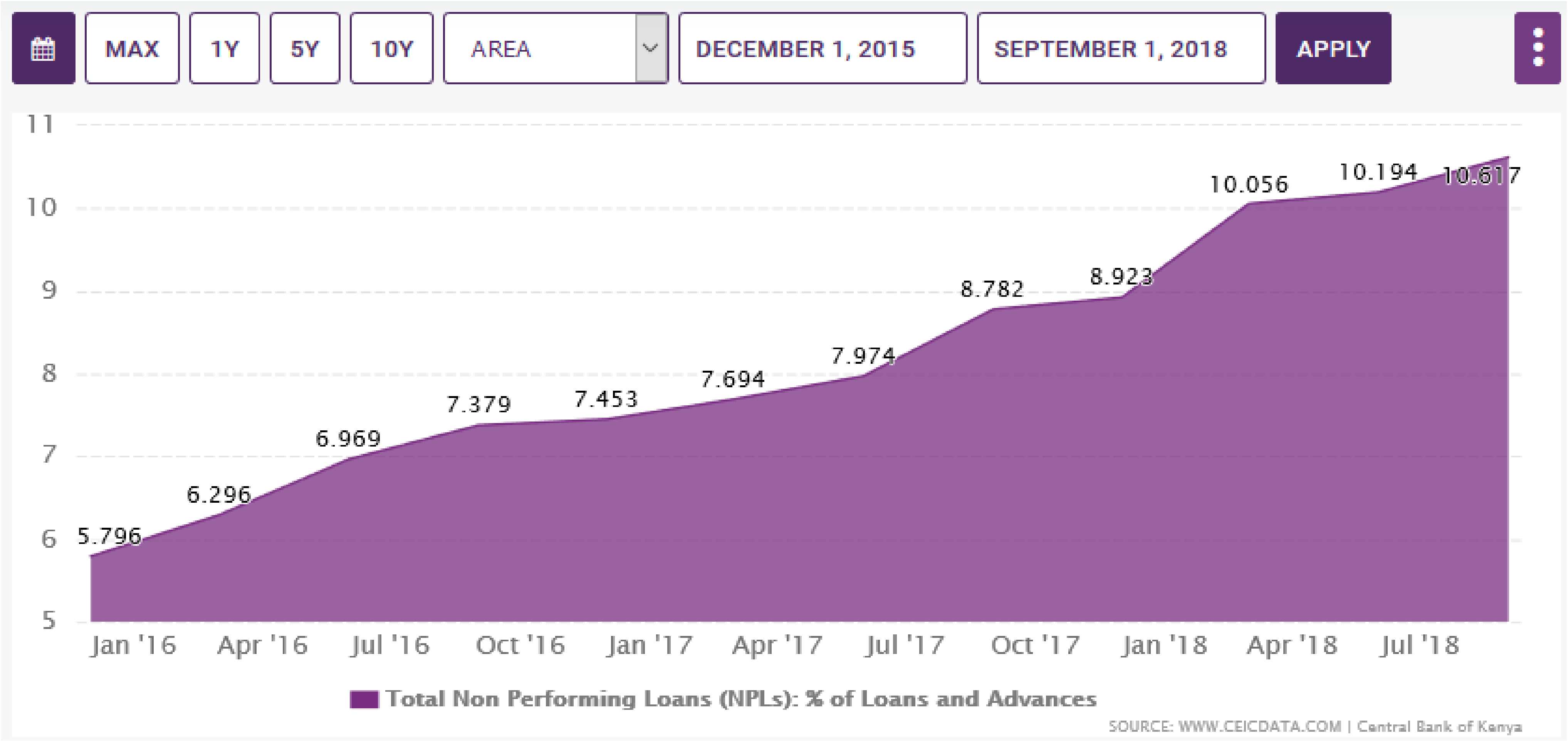
Assessed Key risk

- Wrong Culture-Race on greed and corruption(Kenya current tragedy of commons), developed corruption and culture on impunity based on political alignment
- Political immaturity – never ending political campaigns
- High cost governance model leading to increasing debt/sovereign finance and taxation
- Climate Change
- Skill GAP (technical skills)

Global Economic Risk Drivers

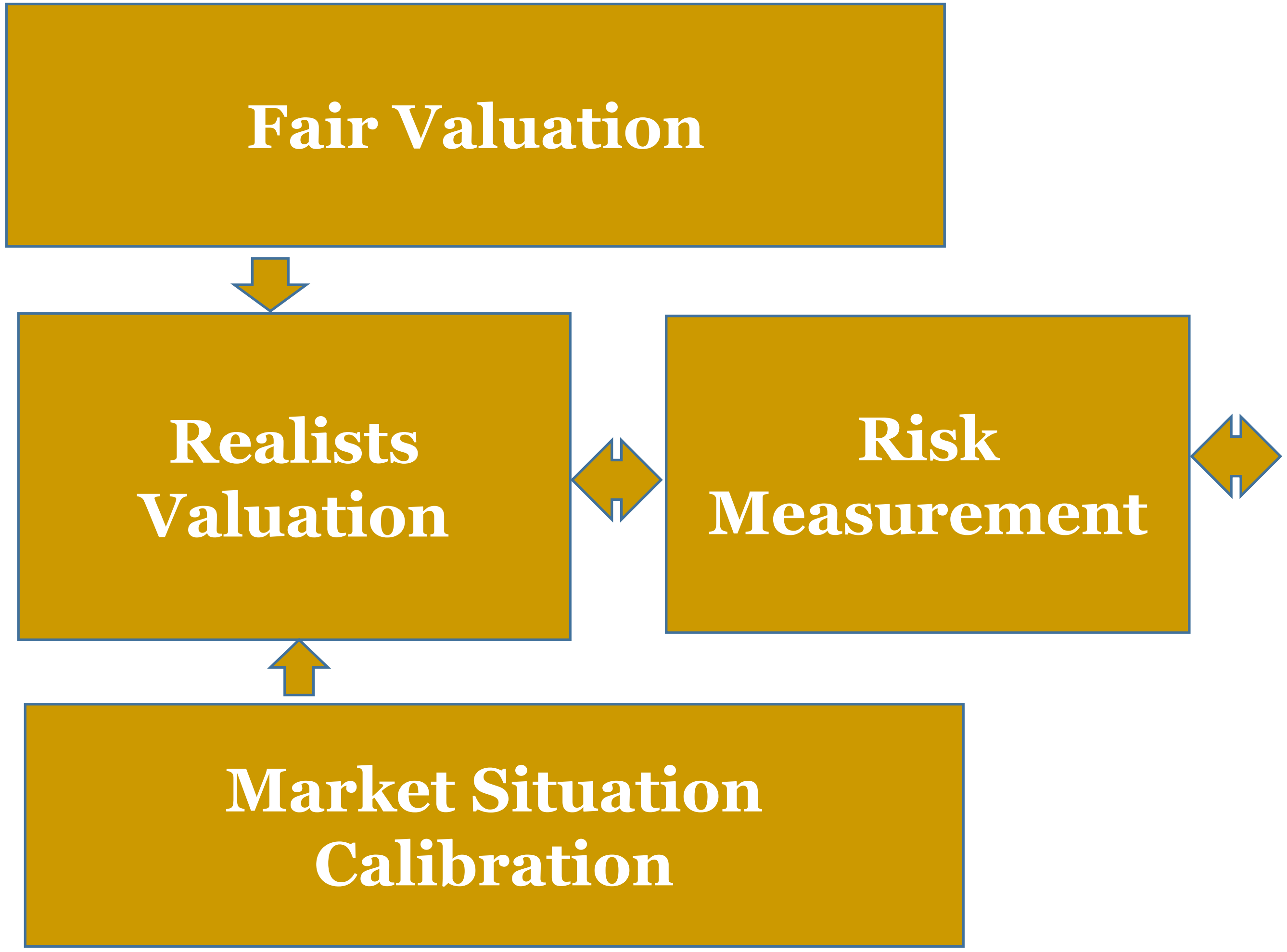
- Trade Wars (Rising protectionism)
- Bexit
- Iran
- Climate Change -Profound and increasingly dangerous climate change effects
- Digitalization and digital risks (cyberwar/crime/terror)

Kenya's Non Performing Loans Ratio



Banks use can Country Risk Model to set or review their country credit limits.

Identifying Economic Risk Management



Micro Factors of Economic Risk

- **Interest rates.** Lead to reduced profits and NPL. Country is a vital in economic risk management.
- **Minimum Wage.** If minimum wage is increased, the cost of production is increased. Often, labor costs can increase but market price remains stable, leading to decreased profits.
- **Market Prices.** A country's economy greatly influences market prices. When market prices decrease but production costs stay the same, profitability can be significantly reduced.
- **Taxes and Duty.** New types of taxes can threaten a business' profits. When a government introduces new taxes, it can negatively impact a business' financial performance.
- **The Cost of Materials.** An increased cost of materials affect competitiveness a-consumers still expect to pay the consistent prices, leading to a possible loss in profits.
- Other common types of economic risk to be aware of include exchange rates, hyperinflation and general government regulations that can affect investments.

Businesses need to proactively identify and monitor all these conditions to support a robust economic risk management strategy

Example of Effective Economic risk Management

Amazon: Diversifying Its Portfolio to Mitigate Economic Risks

- Amazon economic risks, includes taxation, inflation, industry-specific economic growth with greatest risks being FX
- In 2016, net sales from international business made up 32% of Amazon's revenues. Net sales impacted BY FX volatilities rates by USD636 million, USD5.2 billion, and USD550 million for 2014, 2015, and 2016 respectively. Amazon could soon be facing the economic effects of taxation. U.S. President Donald Trump 'internet tax' in June 2017.
- In order to manage the economic risks of both currency exchange rates and taxation, Amazon is diversifying its portfolio

Jessops: Actively Responding to Recession and Competition:

- When the UK economy fell into recession in 2008, unemployment rates increased, wages decreased and consumers were spending less disposable income. The photographic retail company Jessops made the business decision to focus on its imaging business, as those services remained stable despite a decline in camera and hardware sales. This responsive action minimized risk and improved profit margins for the company.
- As Jessops' competitors from online photo printing companies with lower prices came into play, the business again adjusted its strategy to obtain a competitive advantage. Its diverse, multi-channel strategy included both in-store and online image and gift orders.
- To support customers online, the company provided a responsive call center with industry experts. Additionally, Jessops increased its product portfolio. These adaptations enabled Jessops to become a market leader, despite the multiple economic risks.

Example of Economic risk in Kenya

- The economic risk can be looked upon in a variety of ways, with a wide range of modeling systems.
- In a simple example, let us presume a real estate.
- In this case, the economic risk is that the gains from the development will not cover the development costs, leaving the developer in debt.
- The Big 4 item on affordable housing will significantly affect debt finance for the sector and financial services
- This can take place due to downturns in the real estate market, lack of interest in the housing, unexpected cost overruns, and various other factors.
- We can discuss option for the sector to management the Risk

Managing Economic Risk

- **Build capability :** Put in place effective Risk Governance /capabilities including training all actors
- **Lead with risk:** Create a tone of positive ethical culture of disclosure, accountability and performance
- **Embed risk:** Before starting with the projects, it is important to consider economic risk for determining the likelihood of potential risks being outweighed by the benefits
- **Diversify** – rule of the thump for risk management . Knowing economic risks that threaten your organization, you can strategize future business decisions and growth to mitigate these risks. Consider examples of companies who have effectively managed their own economic risks to avoid supply chain and business disruptions.

Sovereign Risk Management

- ❑Definitions
- ❑FIU Approach

Introduction

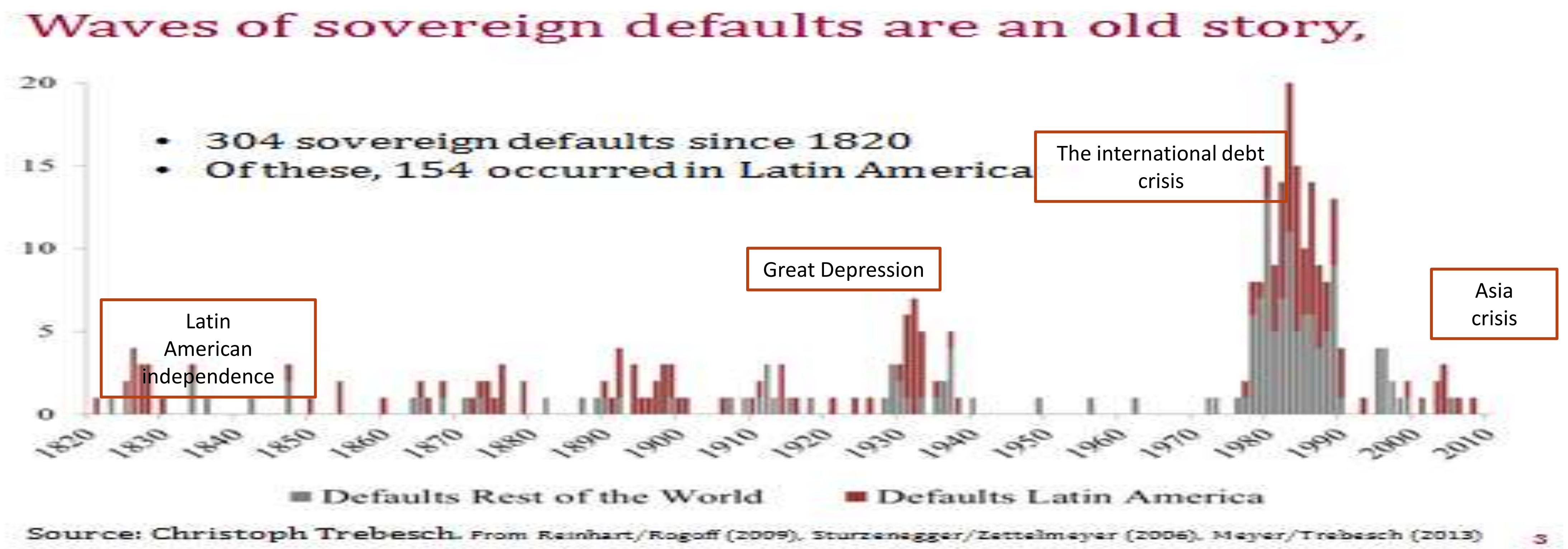
- One of the most sought-after types of international investment is sovereign bonds.
- The risk associated with this type of investment is related to the possibility of a government not paying the agreed yields to the creditor, the analysis of the credit/default risk being important for decision making in finance and banking .
- In this regard, a number of international agencies, of which Moody's, Standard & Poor's, and Fitch the best known, generate reports sorting country bonds at certain levels of risk, expressed as ratings

Definitions

- **Definition of 'Sovereign Risk':** A nation is a sovereign entity. Any risk arising on chances of a government failing to make debt repayments or not honouring a loan agreement is a sovereign risk.

- **Sovereign risk is** the chance that a central bank **will** implement foreign exchange rules that **will** significantly reduce or negate the worth of its forex contracts. It also includes the **risk** that a foreign nation **will** either fail to meet debt repayments or not honor **sovereign** debt payments

Sovereign Default



Venezuela has defaulted 9 times since independence in 1821.|Nigeria has defaulted 5 times since independence in 1960.|Greece has been in default on its debt half the time since independence in 1829.|Spain has defaulted the most: 6 times in the 18th century, and 7 in the 19th.

Measuring Sovereign Risk

- Sovereign risk management in financial institutions according to the Basel rules have weighted sovereign risk, or at least some sovereigns' risk, as officially zero.
- Basel II requires FIs to make a granular and defensible assessment of each exposure. Basel II requires capital allocations to be sensitive to default risks even when these are small and difficult to assess.
- The framework of Basel II requires that the capital held should be proportional to risk. It is no easy matter to fold sovereign risk into institution credit risk management. As sovereign defaults remain thankfully rare, a sovereign's default probability has a large element of uncertainty built in; it is not straightforward to estimate like, say, the risk of mortality. For instance, there have been no cases of an investment grade sovereign entering default in the past year.
- This is clearly unlike the case of investment grade companies, which default many times more frequently. But just because there is no consensus, just because the problem is difficult, just because any approach is unsatisfactory, risk managers cannot indefinitely hide behind the practice of zero weighting.

Assessing Sovereign Risk .....

- In order to determine a country's ratings, risk agencies need to take a number of different criteria into account.

- According to Standard & Poor's , five key areas are evaluated in the context of sovereign ratings, namely, institutional assessment, economic assessment, external assessment, fiscal assessment, and monetary assessment.

- Country-specific factors can be requested and used to determine sovereign risk, besides which financial, political, and economic risks of countries affect each other.

- In addition, the problems that different countries face may have different origins Thus, sorting countries at certain levels of risk can be dealt with as a multi-criteria decision problem.

Sovereign Risk Scoring –FIU Approach

- Risk Model uses quantitative and qualitative indicators covering 6 risk categories.
- Sovereign risk measures the risk of a build-up in arrears of principal and/or interest on foreign and/or local-currency debt that is the direct obligation of the sovereign or guaranteed by the sovereign.
- Currency risk measures the risk of maxi-devaluation against the reference currency (usually the US dollar, sometimes the euro) over the next 12-month period.
- Banking sector risk gauges the risk of a systemic crisis whereby bank(s) holding 10% or more of total bank assets become insolvent and unable to discharge their obligations to depositors and/or creditors.
- Political risk evaluates a range of political factors relating to political stability and effectiveness that could affect a country’s ability and/or commitment to service its debt obligations and/or cause turbulence in the foreign exchange market.
- Economic structure risk encompasses a series of macroeconomic variables of a structural rather than a cyclical nature.
- Overall country risk is derived by taking a simple average of the scores for sovereign risk, currency risk, and banking sector risk.

Economic Risk and Accounting Standards

- Credit Risk Management on IFRS 9 context
- Impact in Regulated Banks
- Conclusion

Accounting Standards…

- IFRS 9 is a new international accounting standard replacing IAS 39. International Financial Reporting Standards require a consistent reporting of financial information globally

- Our IFRS products meet the extensive demand from the credit industry, due to the obligation for all to comply with IFRS reporting requirements starting in 2018.

- IFRS 9 *Financial Instruments* introduced improved hedge accounting and disclosure requirements to enable companies to better reflect their risk management.

- IFRS 9 requires a change in how financial assets are classified, measured and expected credit loss is accounted for. Our offer will enable you to **meet a regulatory requirement in a cost effective way**, using Credit info Credit Bureau data alongside them.

- In particular, it sets requirements on the assessment of the risk of a loan portfolio, based on statistical forecasts of expected losses from defaulted loans.

- IFRS requires assessment of impact of Macroeconomic changes to credit risk across the market.

Credit Risk and IFRS 9 Overview

- IFRS9 introduces a frontview (or expected) approach to recognizing impairment of financial assets. Impairment of an asset simply refers to the amount by which the carrying amount of a cash-generating asset exceeds its recoverable amount.

- A loan does not have to slip into non-performing status for a provision to be taken; it can be due to a change in a risk factor, such as forecasted drought for an agricultural sector customer or improved rail transport for a road transport service provider.

- The basis of determining the expected losses is somewhat complex but is guided by IFRS 9 in building the appropriate impairment models.

- As IFRS 9 requires more provisions for sectors or areas deemed as high risk, banks will need to reassess their product offering and risk management, which is likely to lead to tightening of credit scoring and appraisal.

Credit Risk and Accounting Standards-FIS

- FIS will have to evolve and employ innovative risk management tools that robustly estimate credit risk losses and establish changes in risk.
- While in the pre-interest rate cap era banks could easily have matched the risk to an appropriate price, the law has taken that option off the table — meaning that, where banks feel the risk is not commensurate to the capped rate, then they will not lend.
- One of the fundamental changes is the provisioning for expected losses.
- This is a forward-looking impairment model requiring FI's to set aside funds by provisioning in anticipation of loan losses even when they are not in default.
- A loan does not have to slip into non-performing status for a provision to be taken; it can be due to a change in a risk factor, such as forecasted drought for an agricultural sector customer or improved rail transport for a road transport service provider.
- The basis of determining the expected losses is somewhat complex but is guided by IFRS 9 in building the appropriate impairment models.

In Kenya – The Impact to FIS

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- While in the pre-interest rate cap era banks could easily have matched the risk to an appropriate price

- In Kenya, the law has taken that option off the table — meaning that, where banks feel the risk is not commensurate to the capped rate, then they will not lend.

- The effect of IFRS 9 will vary among banks and cast a sharper spotlight on capital allocation-to mitigate expected high impact on capital, the Central Bank of Kenya has given banks that might dip below Capital Adequacy Requirements a five-year window to recapitalise.

Risk reporting

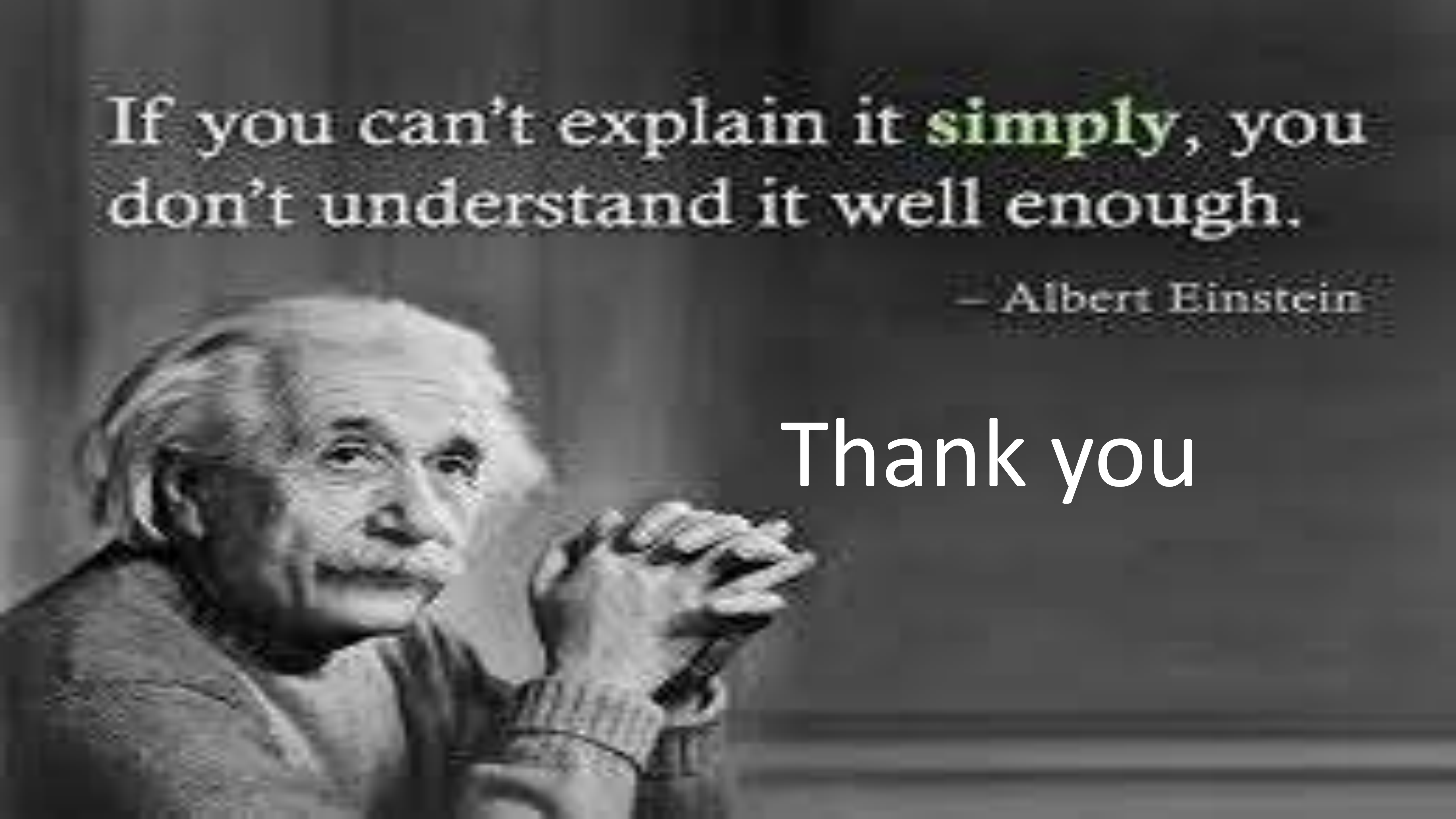
- Establishes a comprehensive **risk reporting** system that is aligned with other organisational performance **management** structures and processes. **Reports** on the strategic and financial impact of **risks**.
- Ensures that **risk reporting** systems operate efficiently.
- IFRS 9 specifies how an entity should classify and measure financial assets, financial liabilities, and some contracts to buy or sell non-financial items.
- At initial recognition, an entity measures a financial asset or a financial liability at its fair value plus or minus, in the case of a financial asset or a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or the financial liability.

Conclusion

- Machiavelli long ago recognized that to tame violent rivers (and fortune), one could, "when times are quiet, provide for them with dikes and dams so that when they rise later, either they go in a canal or their impetus is neither so wanton nor so damaging."

- As some measure of calm returns to the battered global economy, today's challenge is to construct the framework of dikes and dams for public finances which will enable countries better to weather the next storm (Souce WEF). *World Economic Forum*.

- *I recommend to we enabling economic risk management practices to anchor our ability to navigate future turbulences*


If you can't explain it simply, you
don't understand it well enough.
– Albert Einstein

Thank you

Selected Organisation Trained by this Facilitator

GDC Geothermal Development Company

BARCLAYS

Financial Intelligence

Family Bank
With you, for life

National Bank

NMS
MEDICAL LOGISTICS
Passionate about your Life

National Medical Stores

OLDMUTUAL

20 ucc
20 YEARS OF ACHIEVEMENTS

BANKI KUU YA KENYA

KENYA POLICE

Wegagen Bank

Independent Electoral and Boundaries Commission
IEBC
COMING SOON
ACCESS 2017 REGISTER OF VOTERS

NHIF
Afya Yetu, Bima Yetu

Deloitte.

PRIDE MICROFINANCE LIMITED (MDI)

RwandAir

Gambia › Government

NBS Bank
Your Caring Bank

TEACHERS SERVICE COMMISSION
KENYA
EFFECTIVE SERVICE FOR QUALITY TEACHING

Safaricom
Twaweza

enterprise GROUP
Your Advantage

AGACIRO
Development Fund
Prosperity for generations
Umurage w'ubukungu

About the Facilitator

About Patrick Gitau

Patrick is the East Africa| Ethiopia| Malawi| Mauritius Regional Director for Enterprise Risk Management Academy (ERMA Global) based in Singapore that promote ISO 31000 Risk Management Guidelines based Professional Certifications. Patrick is also is co-founder of GARP Kenya and ACFE Kenya. He is a speaker on many areas of risk management with focus in Africa and has worked or facilitated training extensively in over 10 countries in Africa, ME and ASIA.

Patrick is also an Enterprise Risk Governance consultant and GRC thought leader with over 20 years practice experience in the financial services, telecoms and public sectors. He has developed enterprise risk management policies, executive risk reporting, and risk management frameworks for many organizations, and is skilled in creating strategic and operational enhancement for sustainable outcome through enterprise risk alignment.

Patrick holds MBA Finance with merit from University Leicester UK, is certified in Forensic Investigation Professional-CFIP, Certified Enterprise Risk Governance-CERG, Certified Risk Analyst-CRA, Certified in IT Risk Controls-CRISC, Certified Governance Risk & Compliance Professional –GRCP and is Certified Fraud Examiner-CFE.

He has been an on call ICPAK training resources person for both in-house and open workshop in the last six (6) years in Forensics, Risk Management, Internal Control and Revenue Assurance.

ERMA Professional ERM Certifications

ERMA or Enterprise Risk Management Academy is a global learning centre for professionals in Enterprise Risk Management (ERM). ERMA offers professional development courses and certification for ERM Professionals around the globe. ERMA offers 3 ERM Certifications for 3 different levels of Risk Management proficiency

ERMAP™
Enterprise Risk Management ASSOCIATE PROFESSIONAL
ERM ACADEMY

Enterprise Risk Management Associate Professional

For students or professionals with less than 3 years of Enterprise Risk Management experience and who have a desire to further explore ERM careers.

ERMCP™
Enterprise Risk Management CERTIFIED PROFESSIONAL
ERM ACADEMY

Enterprise Risk Management Certified Professional

For well-experienced professionals who have been in the field of Enterprise Risk Management with a minimum experience of 3 - 6 years.

CERG™
CERTIFIED in Enterprise Risk Governance
ERM ACADEMY

Certified in Enterprise Risk Governance

For high-level ranking officers and decision makers with a minimum of 15 years of experience, with exposure to senior or board roles.