

ENTERPRISE RISK MANAGEMENT

ERM

*Symposium*

*Where Cutting Edge Theory Meets State of the Art Practice*

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# COUNTRY RISK OFFICER: PRACTICE CONSIDERATIONS

- Country Risk Officer Position
- Country Risk Management Issues
- Mitigation Product Management
- Risk Management in a Political Setting

# POSITION: Key Questions/Issues

- What are the position's responsibilities?  
Identification, assessment, mitigation/  
management
- Where is it located? Independent agency
- What level is it at? Cabinet level. Member of  
National Security Council
- Where does it report? POTUS

# POSITION con't

- Authority over agencies directly responsible for specific risks? Probably not
- Own staff, budget? Yes, but tradeoff between capability to develop own view vs. duplication/overlap
- Above bureaucratic fray? No way

# COUNTRY RISK MANAGEMENT ISSUES (not unique)

- Credibility
- Psychology
- Stress test scenarios
- Bureaucratic inertia

# MITIGATION PRODUCT MANAGEMENT

- Due diligence: insurers/reinsurers
- Information, transparency, locus of risk
- Compliance
- Centralized management of mitigation products

# RISK MANAGEMENT IN A POLITICAL SETTING

- Mitigation expenses are budget line items competing with other priorities
- Policy/ideological disagreement over threat posed by specific risks, e.g. climate change