

First Workshop Event Of the Enterprise Risk Management Community in the oil sector in 2018-2019



A view of the meeting



Group photo.



Mrs. Hessa Al-Jinaidel

For the second consecutive year, PIC hosted the first workshop event of the Enterprise Risk Management community for the fiscal year 2018-2019, under the sponsorship of CEO Mr. Mohammed Al-Farhoud and the attendance of a number of K-Company leaders, and employees from various departments of the oil companies. The event, which took place on October 9 at Bubyah Club, featured a presentation about the main risks that the world currently faces according to the 2018 Global Risks Report, in addition to technical workshops about Cash Flow at Risk and Risk Adjusted Return on Capital (CFaR , RAROC).

DCEO Administration and Finance at PIC, Mr. Ibrahim Al-Musaiteer, who is also the head of ERM Community Working Team pointed out the increasing risk inter-relation in global systems , multiple risks merging into a major risk having severe effects globally”

He also pointed out the main risks the world faces today according to the 2018 Global Risks Report, which include environmental, economic and geopolitical risks, in addition to cyber security risks which are considered one of the biggest challenges being faced by the world today. “The world’s perspective related to the concept of risk management has greatly changed,” he said. “It is attracting more focus and attention to its development. Risk management is the main

guidance for decision making, because it gives us an analytical view to the events around us.”

He added, “Based on the level of maturity we have achieved in the past ten years, the risk management departments in the oil sectors have scaled new heights not only in Kuwait, but the region as a whole, and we emphasize the importance of the enterprise risk management community.”

Al-Musaiteer added that the Enterprise Risk Management community benefits from all levels & experts in the petroleum sector, since every member of the community plays an important role in promoting the risk culture and risk management is everyone’s responsibility and everyone is responsible for it from their field of work”.

Al-Musaiteer thanked the working team of the enterprise risk management community, which supervised all workshops last year, he also mentioned about the webpage for the Enterprise Risk Management community was launched at the oil sector’s “K-portal” website, which contains a valuable source of information and data for workshops. He added, “We look forward in our plan for the current fiscal year to provide more opportunities for development and communication, also we renew our invitation for everyone to join this community and benefit from its activities.”

Dr. Rufaidah Al-Maian from Kuwait University talked about the main risks facing the world according to the 2018 Global Risks Report, highlighting the importance of analyzing the relationship between risks and understanding the nature of risks in terms of the change in the degree of severity from one year to another and from one country to another.

Manager of Enterprise Risk Management Department at PIC Mrs. Hessa Al-Jinaidel, in cooperation with Enterprise Risk Management team leader at KUFPEC Mr. Abdullah Bu Khalaf, supervised a workshop on the Risk Adjusted Return on Capital (RAROC), and how to use it in projects' assessment, along with the project risk assessment mechanism according to 2040 strategy of Kuwait Petroleum Corporation (KPC).

Furthermore, Mr. Talal Al-Houly, Polypropylene marketing advisor at PIC, gave a lecture titled "Polypropylene Market Price Volatility Risk", which talked about how to handle price fluctuations, the factors affecting them and how to solve them."

Also, Mr. Mohammad A-Naqi, Senior Risk Engineering Analyst at KPC, conducted a workshop on the Cash Flow at Risk (CFAR) model and explained its mechanism of work in assessing the expected risks on cash flow of the five-year plan according to the risks that the oil sector faces.