12. RISK MANAGEMENT AND COMMUNICATION

Governance of critical risks

The 2014 OECD Recommendation on the Governance of Critical Risks recommends that countries “engage all government actors at national and sub-national levels, to co-ordinate a range of stakeholders in inclusive policy making” in the governance of critical risks. The aim of a whole-of-society approach to security and safety of citizens and their property is to defend territorial integrity, and help sustain critical infrastructure and well-functioning markets. OECD countries have shown commitment to achieving a high quality of risk governance, which supports strong implementation of risk management policies. Citizens and businesses expect governments to be prepared for a wide range of possible crises and global shocks, and to handle them effectively should they arise.

The OECD also recommends that member countries develop an all-hazards national strategy that provides a unifying vision for all phases of the risk management cycle: risk identification and assessment, risk prevention and mitigation, preparedness and response, and recovery and reconstruction. In 2016, the OECD conducted a monitoring survey on the implementation of the Recommendation on the Governance of Critical Risks, which shows that most countries (29 countries) have established a national strategy to manage critical risks, and that most of these (24 countries) follow an all-hazards approach. Almost all OECD countries have acknowledged that there is a need for strong institutional capacity, resources and continued commitment from leadership at the centre of government. As a result, most countries (28 countries) assigned leadership, or the task to co-ordinate the management of critical risks, to a central government institution. Only four countries do not have a lead organisation or co-ordinating unit that is assigned leadership for the management of critical risks.

The management of critical risks touches on the remits of many departments and agencies across government and at different levels. The effective governance of these policies thus requires co-ordination mechanisms to navigate this complex landscape. The survey revealed that lead institutions consult with a variety of national and sub-national stakeholders in the policy formulation process. Most countries (26 countries) use ad hoc conferences to engage with national experts on risk analysis. More than half the respondents (23 respondents) conduct national workshops where government officials engage in policy dialogue on critical infrastructure protection, and about half of the countries (20 countries) consult with NGOs and interest groups through conferences. A small minority of countries have put in place mechanisms to foster citizen engagement, such as social media platforms (6 countries), online consultations (6 countries) and town hall meetings open to citizens (2 countries). Going forward, there is a need to interact more directly with citizens, for example through social media and virtual platforms that reach larger user groups. More inclusive policy-making fosters a whole-of-society approach that leads to higher regulatory compliance rates, clearer accountability and ultimately more resilient communities.

Methodology and definitions

The data used draws upon country responses to the 2016 OECD Survey on the Governance of Critical Risks for 32 OECD countries and 3 OECD accession countries (Colombia, Costa Rica and Lithuania). The questionnaire focused on topics of risk governance and selected aspects of risk management. Respondents were asked to provide information on risk governance policies and practices in place at the central level of government. Central/federal government includes all line ministries/departments in the executive branch of government, including also cabinet or executive offices and executive agencies. It does not include sub-national line ministries and departments, nor state-owned enterprises and public corporations.

A whole-of-society approach consists in the involvement of all stakeholders, from individuals to government entities, businesses, non-governmental organisations and the third sector.

Further reading


Figure notes

12.5: Includes only countries that replied “yes” to the question, “Does your government have an institution (i.e. a lead organisation or coordinating unit) that is assigned leadership at the national level for the management of critical risks?”

Information on data for Israel: http://dx.doi.org/10.1787/888932315602.

Yes, and an all-hazards approach: 75%

Denmark: Yes, no all-hazards approach: 10%
Norway: Yes, but no all-hazards approach: 16%


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12.5. Lead institution for the governance of critical risks, 2016

Yes: 88%

Australia: Yes: 88%
Austria: Yes: 88%
Canada: Yes: 88%
Chile: Yes: 88%
Estonia: Yes: 88%
Finland: Yes: 88%
France: Yes: 88%
Germany: Yes: 88%
Greece: Yes: 88%
Iceland: Yes: 88%
Ireland: Yes: 88%
Israel: Yes: 88%
Italy: Yes: 88%
Japan: Yes: 88%
Korea: Yes: 88%
Latvia: Yes: 88%
Luxembourg: Yes: 88%
Mexico: Yes: 88%
Netherlands: Yes: 88%
New Zealand: Yes: 88%
Norway: Yes: 88%
Poland: Yes: 88%
Portugal: Yes: 88%
Slovak Republic: Yes: 88%
Slovenia: Yes: 88%
Spain: Yes: 88%
Sweden: Yes: 88%
Switzerland: Yes: 88%
Turkey: Yes: 88%
United Kingdom: Yes: 88%
United States: Yes: 88%

OECD total: Yes: 88%


StatLink http://dx.doi.org/10.1787/888933535449


Risk governance functions

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