



## STRATEGIC BUSINESS PLAN – ISO/TC 262 RISK MANAGEMENT

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### **EXECUTIVE SUMMARY**

1. ISO/TC 262 is responsible for the development and maintenance of international standards and supporting documents in the field of risk management. ISO/TC 262 builds international consensus in support of its role to establish good practice guidance on risk management and is cognizant of the importance of ISO 31000:2018 Risk Management as a generic standard (reference ISO/IEC Directives Part 1 Annex SP5.5) to which other TCs will refer as appropriate.
2. ISO/TC 262's key standard ISO 31000:2018 Risk Management which provides a generic approach to addressing the management of risk in organizations, as well as providing a common platform for considering risk when implementing ISO management system standards.

ISO/TC 262 develops standards to identify, assess, and manage the effect of uncertainty on objectives and their supply/value chains due to intentional, unintentional, and natural causes that may affect peoples' perception of risk in their organizations. Managing risk helps organizations build agility, resilience, and sustainability, as well as meet its obligations to its stakeholders. Risk management is an essential tool for effective planning, decision-making, and managing organizations and their supply/value chains and networks

ISO/TC 262 developed and agreed the following mission, vision and values and key business goals at the 2020 online meeting to guide the implementation of this plan and subsequent goals and project activity.

**The Purpose** of ISO TC262 is to provide standardization in the field of risk management.

**Our Vision** is to inspire awareness and adoption of risk management practices around the world.

#### **Our Values**

- We will be objective and follow due process with transparency in all our dealings and communications
- We will facilitate participation with our communities and build consensus
- We will remember that standardization is voluntary
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#### **Our Goals**

- To create core standards that:
  - respond to diverse end user needs
  - support the integration of risk management with other activities
  - enable ISO standards developers to provide consistent guidance
  - support regulators to develop effective risk-based regulations
  - collect, improve, and maintain a common set of terms and definitions
- To promote risk management best practices
- To be recognized as an authoritative source of risk management guidance

## BACKGROUND

3. All sizes and types of organizations need be able to identify, assess and manage the uncertainty that may affect their activities in order to optimize performance. Developing integrated management processes that provide insight into how risk may affect the achievement of the objectives, directly contributes to the performance and overall success of the organization.
4. Effective risk management contributes positively to organizational performance by identifying opportunities to preserve and enhance value across the organization. Effective risk management is an expectation of all stakeholders, internal and external. The board, or its equivalent, has overall accountability for the management of risk.
5. Legislation, regulation and governance codes and standards expect appropriate evidence that responsible risk management processes are being applied and managed across all areas of the organization and its activities. Evidence should be available on an on-going basis with clear communication on the policies, procedures and processes that are expected.
6. Understanding the dynamic relationships and connections between organizations' objectives, strategies and supporting processes is critical to building sustainable performance and enhancing value across the organization's stakeholder base. Consequently, the management of risk should be integrated across all the activities of an organization and be a responsibility for all employees.
7. The principle standard of ISO/TC 262 is ISO 31000, which provides risk management guidance that can support all risk related activities, including decision-making, at all levels of the organization. Whereas ISO 31000 is a standalone guidance document, it can nevertheless be reflected in management systems in order to ensure consistency.
8. The principle objective of ISO/TC 262 is to help organizations by developing and sustaining effective risk management practice to ensure development and maintenance of value through meeting objectives.
9. ISO/TC 262 regularly reviews the needs of end-users and risk professionals, across markets and sectors, updating guidance and developing supporting documents, where appropriate.
10. The committee also liaises with other technical committees and interested parties, such as government, regulators, and business stakeholders to improve the adoption, effectiveness and benefits of risk management across society to build performance and improve resilience.

## 1 Introduction

### 1.1 ISO technical committees and business planning

The extension of formal business planning to ISO Technical Committees (ISO/TCs) is an important measure which forms part of a major review of business. The aim is to align the ISO work programme with expressed business environment needs and trends and to allow ISO/TCs to prioritize among different projects, to identify the benefits expected from the availability of International Standards, and to ensure adequate resources for projects throughout their development.

### 1.2 International standardization and the role of ISO

The foremost aim of international standardization is to facilitate the exchange of goods and services through the elimination of technical barriers to trade.

Three bodies are responsible for the planning, development and adoption of International Standards: ISO (International Organization for Standardization) is responsible for all sectors excluding Electrotechnical, which is the responsibility of IEC (International Electrotechnical Committee), and most of the Telecommunications Technologies, which are largely the responsibility of ITU (International Telecommunication Union).

ISO is a legal association, the members of which are the National Standards Bodies (NSBs) of some 167 countries (organizations representing social and economic interests at the international level), supported by a Central Secretariat based in Geneva, Switzerland.

The principal deliverable of ISO is the International Standard.

An International Standard embodies the essential principles of global openness and transparency, consensus and technical coherence. These are safeguarded through its development in an ISO Technical Committee (ISO/TC), representative of all interested parties, supported by a public comment phase (the ISO Technical Enquiry). ISO and its Technical Committees are also able to offer the ISO Technical Specification (ISO/TS), the ISO Public Available Specification (ISO/PAS) and the ISO Technical Report (ISO/TR) as solutions to market needs. These ISO products represent lower levels of consensus and have therefore not the same status as an International Standard.

ISO offers also the International Workshop Agreement (IWA) as a deliverable which aims to bridge the gap between the activities of consortia and the formal process of standardization represented by ISO and its national members. An important distinction is that the IWA is developed by ISO workshops and forums, comprising only participants with direct interest, and so it is not accorded the status of an International Standard.

## **2 Business Environment of the ISO/TC**

### **2.1 Description of the Business Environment**

The following political, economic, technical, regulatory, legal and social dynamics describe the business environment of the industry sector, products, materials, disciplines or practices related to the scope of this ISO/TC, and they may significantly influence how the relevant standards development processes are conducted and the content of the resulting standards:

Climate change, geopolitical disruption and the decline of the global commons, fragility of supply networks and critical infrastructures, pandemics and massive technological disruption have created levels of unquantifiable uncertainties beyond the capacity of any single organization to manage effectively using a linear approach. New thinking and models about risk are needed to address the uncertainties from this volatile, and chaotic environment. The review of the World Economic Forum Risk Reports, 2016 - 2020, Future Earth – Risk Perceptions Report 2020, International Monetary Fund - World Uncertainty Index lend weight to the view that we are facing the greatest level of uncertainty in modern history.

While risk management is now a standing item on board agendas in organizations around the world it is still not fully understood. A revised model is required to assist organizations in coping with the complexities of their operational environments, interlinkages, and interdependencies.

On a positive note there are opportunities to draw on the deeper understanding of risk available for research into decision making, cognitive processes and an understanding of technologies as operational enablers. Trends in digital transformation and specifically the capacity of Artificial Intelligence (AI) as an enabler of analysis of extreme complexity will, while creating current uncertainty, may support the reduction of uncertainty through organizational systemic enhancement of capability.

Risks can be managed in both complex and simple systems to an acceptable level by understanding the relationships between intentions, actions, uncertainties, possible consequences on the objectives in decision making, and taking actions.

### **2.2 Quantitative Indicators of the Business Environment**

The following list of quantitative indicators could be considered to describe the business environment in order to provide adequate information to support actions of the ISO/TC:

- Engagement of TC262 members and national standards bodies in the various committees
- Continue to research and quantify estimated number of organizations (world-wide) implementing or certified to the ISO committee's International Standards over the past 3 years;
- Continue to research and quantify how many ISO risk related projects are moving forward (estimated currently at over 100).
  - This is particularly true across the wide-ranging area covered by ISO/TC 292 for Security and Resilience standards where protective security, crisis management, business continuity and resilience are the critical areas of endeavor and those areas in ISO/IEC JTC1 dealing with trustworthiness, risk, and Artificial Intelligence (AI) in decision making.
- Continue to research and quantify total number of national adoptions of ISO 31000 and our other standards
  - National Standards Bodies conducted by the ISO CS have revealed that ISO 31000 has been adopted as a National Standard by over 42 nations (a majority of G20 countries) and is valued as a guidance document by a wide range of ISO TC's and their National Mirror Committees.

- Continue to research and quantify the number of the ISO TC262 standards cited as references in International Standards of other ISO committees;

### **3 Benefits expected from the work of the ISO/TC**

The approach to risk provides an opportunity to support other standards addressing global and systemic issues beyond the organizational level. In particular, the United Nations 17 Sustainable Development Goals (SDGs) are fundamentally relevant to the work of ISO/TC 262. They underpin thinking behind Environment Social Governance (ESG) criteria against which organisations of all types and sizes are now being evaluated by all stakeholders. All of these 17 goals require a range of interrelated decisions required to ensure not just organizational, but environmental and societal sustainability as well.

An important component related to the SDGs is the Sendai Framework for Disaster Risk Reduction 2015-2030 UNDRR ([Sendai Framework](#)) which was the first major agreement of the post-2015 development agenda and provides Member States with concrete actions to protect development gains from the risk of disaster.

Thus supporting those responding to these challenges is a principal challenge for ISO/TC 262; to develop tools and guidance for managing risk to help those who are striving to achieve these goals. The strategic challenge for the TC is to provide more effective guidance to organizations in the integration of risk management into the decision-making process. ISO/TC 262 is aimed at developing standards that contribute to the broader understanding and implementation of risk management practices.

We will endeavour to build upon the current body of knowledge and provide clear guidance going forward in these increasingly complex and uncertain times. Benefits that can be expected from the standards and guides developed by ISO/TC 262 for the global economic environment in general, and for organizations of various sizes and nature in particular, include:

- Supporting better management practices for integrating risk-based information into the decision-making process in pursuit of objectives – a risk-based decision-making model.
- Enabling organizations to implement, integrate, and monitor strategies for understanding the effects of uncertainty on objectives, as well as the Environment, Society and Governance (ESG).
- A common, good practice, principles-based framework for managing risk.
- A better understanding and management of risk as it emerges, develops and evolves in complex processes and systems.

ISO/TC 262 will continue to ensure the relevance and currency of its standards and supporting products as relevant global documents on the management of risk by developing a conceptual framework that supports organizations, and the development of future revisions as well as new ISO documents.

## **4 Representation and participation in the ISO/TC**

### **4.1 Membership**

As of March 2022 ISO/TC 262 has 60 Participating Countries and 22 Observing Countries as well as numerous liaisons.

See the full membership list on [this page](#).

### **4.2 Analysis of the participation**

There is strong participation from Europe, the North America, Australia and other parts of the Pacific Rim, with increasing representation from Middle East, Africa, Asia and South America. The committee actively encourages participation by whatever means from countries with emerging or transition economies.

There are also liaisons with other ISO and IEC committees, which allow input from other sectors as well as allowing ISO/TC 262 to offer advice where risk management is mentioned in the other committee's documents.

Regular web-conferencing meetings are held to support the work of Technical Committee Working Groups and Ad-hoc Groups. Recognizing the cost in terms of travel and time is a barrier to broad stakeholder participation, meetings that require international travel will be conducted on an as needed basis, and/or when web-based meetings are not practical. Scheduling of Technical Committee plenary meetings will be based on the work stream and the need to discuss developments and progress on the work identified and the broader objectives and strategic plan.

*Further information on the membership and work of ISO/TC 262 can be found on the committee website at (<https://committee.iso.org/home/tc262>).*

## **5 Objectives of the ISO/TC and strategies for their achievement**

### **5.1 Defined objectives of the ISO/TC**

ISO/TC 262 will develop and maintain standards, guidelines, and technical reports relating to the management of risk by drawing from the international community to create market-driven standards that promote effective risk management practice.

The following points clarify the role and objectives of ISO/TC 262:

- Encourage the strategic and proactive management of risk across organizations and throughout wider society by developing and maintaining standards and other relevant material.
- Regularly assess and review the need for standards and other documents addressing the management of risk.
- Ensure that documents and documents developed are based on a clearly evidenced market need and reflect established good practice.
- Ensure standards developed by the TC are practical, appropriate, user-friendly, and capable of being integrated into other standards, management systems and practices.
- Ensure that any new material is aligned with the strategy of ISO/TC 262 and is compatible with the principles and processes of ISO 31000 framework. New documents may expand on, or clarify, the guidance or framework as needed, but not repeat or contradict it.

- Promote inclusivity and transparency to attract appropriately skilled and experienced experts in the subject matter that will be responsible for the development of documents.
- Actively engage and liaise with other ISO technical committees to provide support and ensure consistency with ISO 31000.
- Proactively communicate with stakeholders regularly on ISO/TC 262 activities and developments.

### **Specific Objectives**

- **Revision of ISO 31000:**
  - a. Prepare for revision of ISO 31000
  - b. Leverage outputs and outcomes arising from the anticipated TMB Co-ordination Committee
- **Risk Domain Expertise:**

Allocate risk domain expert resources across the world to strategic priority areas for example:

  - Strategic Business Plan execution requirements, for example evaluation of annual survey results,
  - Strategically important TC liaisons,
  - Selected TGs and SGs,
  - Business Evaluation of NWIs as they arise.
- **End User Needs:**
  - a. Evaluate results of end user needs survey,
  - b. Issue guidance to NSBs with regard to the submission of NWIs that meet defined end user needs with particular emphasis on the production of Technical Reports
- **Resource Management:**

Conduct annual survey(s) in calendar 'Q1 of each year in order to fulfil TC 262 Strategic Business Plan resource requirements, including but not limited to:

  - Risk Domain Expertise available to TC 262,
  - Generate strategic resource utilisation and capability report.

### **5.2 Identified strategies to achieve the ISO/TC's defined objectives**

In order to achieve the objectives of the SBP ISO TC 262 will:

- Continue empirical analysis of needs through the creation of study groups and ad-hoc groups, as deemed appropriate, to inform discussion at NSB and TC levels into market needs and demands,
- Issue guidance on principles and processes for the consideration, determination and selection of proposals, and leverage the use of Ah-Hoc and Study Groups in so doing, as appropriate
- Proposers shall explain which ISO deliverable is appropriate and why the issue is appropriate as an ISO publication and not more appropriately published as belonging in opinion pieces, trade journals, professional publications, or the academic press.

- Regularly engage with a wide base of stakeholders to gain feedback on industry practice and identify areas of concern or opportunity and determine what action should be taken, if any.
- Issue guidance on subject matter expertise required of subject matter areas.
- Undertake a review of subject matter expertise relative to needs and issue guidance to NSBs as appropriate.
- Encourage National Standards Bodies (NSBs) to extend their liaison with other national Technical Committees, who address risk as a part of their committee specific standards to increase the reach and effectiveness of engagement and ISO/TC 262 horizon scanning.
- Revise/publish guidelines for which there is ISO Central Secretariat and NSBs data underpinning demand and user requirements.
- To increase the number and range of liaisons with international professional and industry bodies (being not-for-profit international membership bodies) to directly contribute to the Technical Committee across the subject of Risk and its management in practice.
- Develop a communications strategy and channels that reaches wider communities of interest such as professional institutions, public sector and trade bodies to develop awareness and encourage the use of ISO/TC 262 documents.
- Develop a process to monitor and assess ISO standards and review New Work Item Proposals to determine how other committees are addressing the management of risk. Identify how these documents align with ISO 31000 and other TC 262 documents and feedback any concerns to the relevant TC Secretariat and Chairman or escalate within ISO.
- Encourage the use of technology by NSBs and members to facilitate meetings and enable Working Group experts internationally to participate more in TC and WG meetings.
- Develop a process to support a regular review of legislation and regulation changes to identify opportunities or issues that may impact on the use of standards or guidance produced by the committee.
- Develop additional strategies as needed as the work of the TC progresses.

The Chairman and Secretariat will ensure that performance is monitored and reviewed on an ongoing basis and will encourage feedback and comments on TC activities from all participants and stakeholders.

**6 Factors affecting completion and implementation of the ISO/TC work programme**

NSB's should have the resources needed to properly represent their national interests in the area of risk management. They should ensure that their national committees have the breadth and depth of skills and experience to contribute to the international committees work.

National Subject Matter Experts should have considerable practical experience in the management of risk across different sectors. Increased expertise is required to achieve 2021-2023 objectives.

Differing levels or exposure, experience or maturity may present difficulties in accommodating the views and approaches to the subject brought by the experts. Different cultural, regional and national differences may generate issues that will need to be addressed sensitively.

## 7 Structure, current projects and publications of the ISO/TC

### Information on ISO online

The link below is to the TC's page on ISO's website:

**[ISO/TC 262 work programme and ISO/TC 262 webpage for further information.](#)**

Click on the tabs and links on this page to find the following information:

- About (Secretariat, Committee Manager, Chair, Date of creation, Scope, etc.)
- Contact details
- Structure (Subcommittees and working groups)
- Liaisons
- Meetings
- Tools
- Work programme (published standards and standards under development)

### 7.2 Published Standards

- *ISO 31073:2022 - Risk management – Vocabulary*

ISO 31073 provides the definitions of generic terms related to risk management. It aims to encourage a mutual and consistent understanding of terms relating to the management of risk, and the use of uniform risk management terminology in processes and frameworks dealing with the management of risk.

- *ISO 31000:2018 Risk management — Guidelines*

In March 2015, it was resolved that a full review of this key standard was required. In Q1 2017 the revised version was made available for public consultation and the feedback was reviewed amended and balloted and ISO 31000:2018 published.

- *IEC 31010:2019 Risk management -- Risk assessment techniques*

This is a dual logo IEC/ISO, single prefix IEC, supporting standard for ISO 31000 and provides guidance on selection and application of systematic techniques for risk assessment. This standard is not intended for certification, regulatory or contractual use.

NOTE: This standard does not deal specifically with safety. It is a generic risk management standard and any references to safety are purely of an informative nature. Guidance on the introduction of safety aspects into IEC standards is laid down in ISO/IEC Guide 51

- *ISO 31022:2020 Risk management — Guidelines for the management of legal risk*

ISO 31022 adopts the principles of ISO 31000 and implements the risk management framework and the process of ISO 31000 according to the needs of the management of legal risks. The purpose of this standard is to guide organizations in the management of legal risk in relation to all their operations and activities. It aims to help organizations meet the legal and regulatory requirements, manage contractual risk, enhance the organization's strategic decision-making and improve the organization's capability of handling complex legal environments.

- *ISO 31000:2018 - Risk management - A practical guide*  
This practical guide provides information and processes for the effective implementation of ISO 31000:2018.
- *ISO 31030:2021 Travel risk management — Guidance for organizations*  
This standard provides guidance on managing the risk associated with travel faced by organizations. The application of these guidelines can be customized to any organization and its context. It recognizes the terminology, principles, process, and framework outlined in ISO 31000:2018.

### 7.3 Standards under development

- *ISO 31050 Guidance for managing emerging risks to enhance resilience*  
This standard aims to provide the much-needed foresight and insight to deal with emerging risks. It will also provide new ways for enhancement of organizational resilience and new capabilities to deal with new challenges, helping, at the same time, to increase the level of trust in management of risk.
- *ISO 31031 Managing risk for youth and school trips*  
This standard aims to provide guidance for managing risk for youth (in particular, minors due to their particular vulnerabilities) and school trips for both domestic and international travel. The standard will gather best practices to address typical risks for this sector such as behavioural breaches and carelessness of students,

### 7.4 Projects for possible consideration

From the meeting held in Amman, Jordan in October 2016, and Sunnyvale United States in July 2017, a number of suggestions have been made for potential development to provide more detailed guidance and are included here for transparency only.

These relate to the possible publication of handbooks, technical reports or complimentary standards covering the following possible areas for development:

- Human and Cultural Factors in Risk Management
- Integrating Risk Management into Management Systems
- Risk Management and Key Performance Indicators
- Risk Management Maturity Modeling

### 7.5 Ad-hoc and Study Groups

The committee will make use of ad-hoc and study groups to inform the strategic plan and examine in detail proposals and issues relevant to the committee.

### Reference information

[Glossary of terms and abbreviations used in ISO/TC Business Plans](#)

[General information on the principles of ISO's technical work](#)