

The First Event for the Enterprise Risk Management Community in the Petroleum Sector

On 24th, Sept 2017 PiC hosted the first event of the "Enterprise Risk Management Community in the Petroleum Sector" which was held under the sponsorship of the Chief Executive Officer (CEO) of PiC Mr. Mohammad Al-Farhoud, and the presence of the Chief Executive Officer (CEO) of Kuwait Petroleum Corporation (KPC) Mr. Nizar Al-Adrani, a number of oil leaders, and a group of employees from various departments of the oil companies in Bubyan club.



The Event started with a word from the Acting CEO of the Petrochemical Industries Company Mrs. Husnia Hashim where she highly praised and admired initiatives of the people of Kuwait with historic example of Mubarakiya School establishment. She said that the oil sector in Kuwait and its employees are very unique and special in their hard work, skills, and efforts. She welcomed guests of honor to encourage their colleagues to encourage and get benefits from the activities of ERM Community and extend their help and support. Mrs. Husnia mentioned in her speech that: "The spirit of cooperation and generosity are distinctive features of our Kuwaiti society. We are proud that our Amir Sheikh Sabah Al-Ahmad Al-Jaber Al-Sabah has been honored by the United Nations as a Humanitarian Leader in 2014"

She also noted that "To give is the most satisfactory feeling and to give is not limited to financial terms. We can give encouragement, inspiration, beneficial advice, contribution in innovative science and contribute our time and experience. In addition to that, giving practice enables us to meet new people and benefit from their skills and experience. This is why we are here today."

As we are dealing with many uncertainties in many cases in our work and due to the variety in our talents and skills and the methods we deal with such uncertainties, this is leading to the creation of characters with different attributes and skills. If such different experiences are joined together, we will be better equipped to deal with uncertainties

In order to enjoy the benefits of teamwork, we have formed ERM community with PiC as sponsor, with a mission "Bring people together to share risk knowledge in oil and gas sector in Kuwait."

After CEO speech, Mr. Ibrahim Al-Musaiter CEO for Administrative and Financial Affairs-PiC (Also Chairman of ERM Community Working Team) in his speech also encouraged all employees from different departments of oil companies including ERM departments to join and become member in ERM community in order to make this new experience a memorable and a successful one, and to achieve the desired results that will eventually benefit everyone.

Mr. Ibrahim explained that there are two types of membership available in the community. First is Gold membership: where the employee volunteers to be an associate member and exchange experiences through meetings and messages of all kinds, in addition to attending the various events and Second is silver membership where the interested employee will be invited to attend events only, and this division was designed to be suitable to the capabilities and abilities of everyone." He also briefed on high level the plan of the working team for this year where two meetings will be held in this year. An e-newsletter will be launched through which the activities of the internal communities will be published as well as four specialized workshops will be conducted by ERM Community. First: Risk Assessment, supervised by Kuwait Oil Company (KOC) and supported by Kuwait Gulf Oil Company and Kuwait Foreign Petroleum Exploration Company. Second: Measuring Cash Flow at Risk (CFAR), supervised by Kuwait Petroleum Corporation (KPC). Third: Returns on Risk Adjusted Capital (RAROC), supervised by Petrochemical Industries Company and supported by Kuwait Foreign Petroleum Exploration Company. Fourth: Risk Culture, Supervised by Kuwait National Petroleum Company (KNPC).

Mr. Bader Al-Rashoud, Senior Risk Analyst at PiC explained the ERM Journey in KPC and its subsidiaries and its achievements.

Mr. Bader Al-Shamemri, Manager Corporate Risk Management Department at KPC, shed lights on ERM community objectives and its working plan, and the most important work done so far by the working team from the formation of the logo to the approval of the plan, the communication, membership, development and approval of Community charter etc.

Engineer Noor Al-Saqabi highlighted how Risk Management is involved with many key process/function of the business such as in preparation of company's five-year plan report in terms of measuring cash flows at risk, evaluating projects risks through risk adjusted returns on capital (RAROC), risk assessment, and treatment etc. Since ERM deals with all the departments in the company, membership is open to everyone in various departments in the oil companies. She called on all attendees to participate in the activities ERM Community to exchange experiences, and that all employees need to familiarize themselves with principles of risk management, so that risks can be identified and assessed properly.

Engineer Noor Al-Saqabi also briefed the audience about the infrastructure of website portal which ERM Community will launch. She emphasized that the webpage will be a valuable source and an active interaction between everyone and invited all to participate in blog writing and/or exchange information on topic that they see are useful for employees in the oil sector.

During his speech, Dr. Musleh Al-Otaibi, Manager of Management Support from Kuwait Oil Company (also a member of the working team in the society) mentioned the importance of professional societies in the oil sector. A guest Mr. Ivica Stankovic, Head of Market Risk from National Bank of Kuwait, also gave a lecture on the importance of professional risk communities and risk culture. Finally, he reviewed inspiring quotes and statements about the working environment, including team work, volunteer work, and the importance of educating others.

Many Statements/ quotes from famous personalities were shared with audience such as:-

"My country Kuwait is known since ages with its strong faith in human principles and its endless lending of a helpful hand."..... Sheikh Sabah Al-Ahmad Al-Sabah – 2016

"We are living in a world where events are quick to take affect and change the elements of the oil industry; the best solution to cope with these accelerating events and meet the future challenges is to enhance opportunities for cooperation."..... Mr. Nizar Al-Adrani – 2014

Event was ended by gift distribution for some attendees with random fashion to some of the participants who had a card for these statements in their seat.