



2.1 Guiding principles - Risk management

Scope

These guiding principles provide assistance to Special Purpose Vehicles (SPV) in the development of risk management frameworks. These principles support the risk management plan template, which is provided in 2_2_T Risk Management Plan.

Managing risk

SPV's should use Principle No. 7 from the Australian Stock Exchange Corporate Governance Council's *Principles of Corporate Governance and Recommendations* as a guide for managing risk.

SPVs should develop and implement a robust and integrated risk management framework that addresses risk at the corporate, shareholder, strategic, organisational and operational and project specific levels.

Audit and risk management committee

The SPV's Board should establish an audit and risk committee with a clear and concise charter and appropriately appointed members to identify and manage the SPV's risk. A template for an audit and risk committee charter is provided in 1_14_T Audit and Risk Committee Charter.

Risk management frameworks

The SPV's risk management framework should align with best practice standards including: AS/NZS 4360:2004; HB 436:2004; and HB 221:2004. SPVs may also wish to adopt other standards such as HB 254:2005 to assist in the implementation of a control assurance plan.

Other useful risk references include the Queensland Audit Office's *Better Practice Guide on Risk Management October 2007* and the Office for Government Owned Corporations' *Corporate Governance Guidelines for Government Owned Corporations*. This information can be found at www.qao.qld.gov.au and www.ogoc.qld.gov.au respectively.

More information

For more information, please visit www.dip.qld.gov.au or email SPV@dip.qld.gov.au.