Risk Register 2022-2023

UNECE

October 2022
Overview

Preamble

High risk is, by nature, an inherent component of the operation of the United Nations. While other organizations evaluate possible projects and, based on their risk assessment finally decide whether to engage or not, the United Nations must accept all mandates from the Member States, regardless of the circumstances and time. The resulting risk profile of the Secretariat is therefore high and unique, making Enterprise Risk Management the inherent core responsibility of management.

Background

• A Secretariat-wide enterprise risk assessment was carried out in 2014 under the direct guidance of the Management Committee to identify, evaluate and prioritize the top strategic risks for the Organization, based on the analysis of the strategic objectives of the Secretariat, the analysis of previous risk assessments, and the consideration of cross-cutting issues emerging from recommendations of oversight bodies.

• The Management Committee validated the Risk Register at the meetings of 21 May 2014 (expanded to include all the senior managers of the Organization at the head of department or office level, under the co-chairmanship of the Deputy Secretary-General and Chef de Cabinet), and 27 June 2014, and came to a common, shared understanding of risks and their criticality.

• Following a dedicated meeting of the Policy Committee, on 9 September 2014, the Secretary-General formally approved the Risk Register as the instrument that summarizes the top strategic risks for the Organization, and the governance structure to support the implementation process.

• With Resolution 69/272, the General Assembly noted with appreciation “the progress made towards strengthening the enterprise risk management system, including the development of a risk register” and “the establishment of a governance structure for enterprise risk management”; and requested “the Secretary-General to continue his efforts to implement and embed enterprise risk management throughout the United Nations”.

• In the resolution on Progress towards an accountability system in the UN Secretariat, of 13 April 2020 (74/271), the General Assembly stressed the importance of risk mitigation and safeguard measures.

The Risk Register

• The Risk Register includes risk definitions, a full analysis of key risk drivers, a description of the controls already established by management, and an outline of potential risk response strategies. As a part of the risk assessment, each risk was scored in terms of the risk likelihood and impact (risk exposure). Following an evaluation of the effectiveness of controls in place to mitigate the risk, the level of residual risk was determined, as the starting point for defining the appropriate treatment response.

• Risks are classified into tiers based on the qualitative evaluation of exposures and control effectiveness as well as contributing factors gathered during the risk assessment process. As visually represented in the Risk Dashboard (page 4) following the desk review and the
analysis of the results of the previous assessments, of the 9 risks identified, 2 were categorized as “very high”, requiring the immediate attention of senior management, and 7 either as "high” or "medium”.

- UNECE has updated its Risk Register each biennium since 2010-2011. As part of UNECE’s Accountability Framework, it is endorsed by senior management, and is publicly available on the UNECE website.

- The present document was last updated in September 2022, in line with the latest guidance prepared by DMSPC, as outlined in the memorandum from the USG DMSPC dated 30 April 2021. UNECE Risk Register is tailored at UNECE level and designed to complement the overarching Secretariat-wide Risk Register approved by the Management Committee on 15 July 2020 and currently being revised.

- OIOS conducted its latest annual risk-based planning for UNECE on 11 October 2022 with the current document guiding the discussion.

**The way forward**

- UNECE will continue to update its Risk register in 2023. UNECE will also be informed by the Secretariat-wide guidance developed by DMPSC and continue to consider organizational-level identified risks and mitigation measures.

- A programme-level evaluation of UNECE, focusing on subprogrammes 4 (Economic cooperation and integration) and 6 (Trade) is conducted by OIOS in 2022 for a presentation to the Committee of Programme and Coordination (CPC) at its 63rd session (June 2023); relevant recommendations and opportunities for improvement will be included in the next version of the current Risk Register.

- In compliance with the process outlined in the memorandum from the USG DMSPC dated 30 April 2021, UNECE reports annually on the progress of implementation of its risk treatment plans.
Risk Dashboard

Legend: Red – Critical and Very High; Orange – High; Yellow – Medium risks

1 Numbers associated with each risk refer to the risk number in the overall Risk Universe of the Secretariat (Annex II).
## Risk Register: Very High Risks

<table>
<thead>
<tr>
<th>Risk Category</th>
<th>Impact</th>
<th>Likelihood</th>
<th>Internal Control Effectiveness</th>
<th>Residual Risk</th>
<th>Risk Owner</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial</td>
<td>5 – Critical</td>
<td>4 – Highly likely</td>
<td>3 – Significant improvement needed</td>
<td>Very High</td>
<td>Executive Secretary</td>
</tr>
</tbody>
</table>

### Risk Definition
The inability to obtain or retain extra budgetary funding may impact the ability of certain Divisions to achieve their objectives. Reliance upon extra budgetary funding may jeopardize or appear to impact the independence of the UN as projects that obtain earmarked funding are given higher priority or their outcomes favour the interests of particular donors.

### Key Drivers
- Donors might change priorities or move resources to other actors. Inherent instability of the operations may impact the ability to plan strategically
- The approval of new extrabudgetary projects at EXCOM becomes challenging, because ECE member States are divided and do not reach consensus
- Lack of predictable funding may be perceived as potentially influencing the Organization to focus on donor countries’ priorities as opposed to the wider group of Member States, thereby distorting programme priorities (“UN a la carte”) and impacting credibility
- Loss in extra-budgetary funding will impact the programme support accounts and may also significantly affect the Organization’s regular programme of work

### Internal Controls
- Annual Report on Technical Cooperation to EXCOM
- Documentation provided to EXCOM and available in ECE website
- Technical Cooperation strategy and internal Directive on RPTC and Regional Advisers

### Risk Response
- The Technical Cooperation report informs member States of ECE technical cooperation activities and main results achieved; it also provides comprehensive information on the extrabudgetary funding
- Extrabudgetary projects are aligned with ECE mandates and respond to requests from member States; the secretariat seeks consensus with all member States and maintains available information in ECE website
- Resource Mobilization Action Plans are realistic and updated with all relevant donors included
- The ECE Technical Cooperation Strategy and the internal Directive on RPTC (Directive 22) frame the objectives and modalities of Technical Cooperation
## 2. Political Climate - External (1.3.1)

<table>
<thead>
<tr>
<th>Risk category</th>
<th>Impact</th>
<th>Likelihood</th>
<th>Internal Control Effectiveness</th>
<th>Residual Risk</th>
<th>Risk Owner</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic</td>
<td>5 – Critical</td>
<td>5 – Expected</td>
<td>5 – Significant improvement needed</td>
<td>Very High</td>
<td>Executive Secretary</td>
</tr>
</tbody>
</table>

### Risk Definition

Adverse political events or prejudicial actions in a country or region, or failure of national governments to sustain their support for economic, humanitarian or peace-keeping efforts affect the Organization’s objectives and/or the capability to carry out its duties and missions.

### Key Drivers

- ECE intergovernmental processes are affected because of the political climate
- ECE extrabudgetary projects and regular budget discussions are more complicated because of the political divide among member States
- ECE Staff members comment on unfolding events and make personal statements

### Internal Controls

- Article 100 of the [Charter of the United Nations](https://www.un.org/en/charterofunitednations/)
- Secretary-General’s key messages
- Strict adherence to ECE mandates
- Rules of procedures of Commission, EXCOM, Conventions and subsidiary bodies
- Accountability framework

### Risk Response

**Broadcasts from the Executive Secretary to ECE Staff**
- Recalling Article 100 of the Charter and Article I of the Staff regulations and rules
- Inviting Staff members to remain impartial and independent in any circumstances and adhere to the messages of the Secretary-General

**Continuous dialogue with ECE member States**
- ECE is guided by its rules of procedures and ECE member States decisions. Past practice is recalled as point of reference
- ECE projects focus on ECE core mandate of economic cooperation in Europe
- ECE is an impartial institution, its role in the region during its 75-year history is regularly recalled

**Accountability mechanisms are in place to inform member States, senior leadership, donors, and beneficiaries**
### Risk Register: Other Risks Areas

#### 3. Accountability & Empowerment (2.1.5 & 2.1.6)

<table>
<thead>
<tr>
<th>Risk category</th>
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<th>Internal Control Effectiveness</th>
<th>Residual Risk</th>
<th>Risk Owner</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance</td>
<td>3 – High</td>
<td>4 – Highly likely</td>
<td>3 – Significant improvement needed</td>
<td>High</td>
<td>Executive Secretary</td>
</tr>
</tbody>
</table>

#### Risk Definition

*Failure to promote accountability or otherwise hold responsible parties or constituents (UN Secretariat, agencies, Member States, staff and others) accountable for actions or inaction. Lack of alignment between the authority given to staff commensurate with their responsibilities.*

#### Key Drivers

- An effective accountability system linking performance & reporting mechanisms (compacts, programme performance reports, audits, evaluations & performance management), & providing transparency to managers & staff, Member States, stakeholders, may not always be clearly articulated
- Potentially unclear delegation of decision-making responsibilities instituted for programme managers
- Limited consequences in place to sanction staff and managers for not meeting goals
- No consequence to management for not making the right decision as a result of the tendency to rigidly follow the “small print” of regulations rather than the spirit
- Management & work planning process & culture may not be results-driven or guided by requirements and funding potential

#### Internal Controls

- UNECE Accountability Framework
- Delegation of authority for HR and finance
- Senior Manager’s Compact
- e-Performance
- System of internal justice
- Proposed programme budget
- Risk Register and Risk Treatment Plans

#### Risk Response

**The Accountability Framework and the Delegation of Authority clarify roles and responsibilities**
- The Accountability Framework is updated as necessary
- The Delegation of Authority is fully implemented: certifying, authorizing and approving officers ensure full compliance with UN Financial Regulations and Rules
- HR officer ensures full compliance with UN HR policies

**The Senior Manager Compact summarizes the key commitments of the organization**
- Compact is prepared in collaboration with the Directors
- HR and finance objectives and targets contained in the Senior Manager Compact are met
- Senior Manager Compact is monitored and reported as per EOSG established deadlines

**A critical linkage is maintained between institutional and individual accountability through the Executive Secretary’s Compact and e-Performance of managers and staff**
- Objectives defined in the ES Compact cascade in directors and staff performance documents
- The performance of all staff is assessed annually in a fair and consistent manner in line with the OHR guidance
- Performance documents implementation is monitored and reported
4. Strategic Planning & Organizational Transformation (1.1.2 & 1.1.10)

<table>
<thead>
<tr>
<th>Risk category</th>
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<th>Risk Owner</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic</td>
<td>5 – Critical</td>
<td>3 – Likely</td>
<td>3 – Significant improvement needed</td>
<td>High</td>
<td>Executive Secretary</td>
</tr>
</tbody>
</table>

**Risk Definition**

Inability of the Organization to respond to the needs of a changing environment. Conservative, risk-averse culture hinders the ability of the Organization to be flexible and responsive to change.

**Key Drivers**

- Change fatigue, Organization is involved in different simultaneous transformation projects (Umoja, reform of the UNDS, Management reform)
- Redefinition of relationship between the regional, subregional and country levels of the UN Development System and related coordination functions
- Layering of additional mandates & shrinking resources from the regular budget. Lack of

**Internal Controls**

- Strategic vision and direction
- Proposed programme budget
- EXCOM and ECE Commission
- USG Membership of Internal Review Team to define the new roles and functions

**Risk Response**

Strategic vision is reflected in corporate documents and supported by member States:

- Executive Secretary establishes strategic direction of ECE within the context of the broader Secretariat mandate and vision
- Proposed programme budget is prepared in consultation with ECE member States, supports change and responds to Member States reform proposals
systematic review of the implications of funding gaps
- Tendency to devise subprogrammes without taking Organization-wide view
- Highly risk-averse culture. Fear of taking responsibility and making decisions
- Senior managers & staff at all levels could resist change and have a vested interest in maintaining the status quo
- A substantial number of legacy practices are followed without critical re-examination of their adequacy
- Inadequate tools to facilitate cultural change, e.g. flexibility to move resources
- Limited understanding of Umoja’s enterprise-wide impact
- Future mobility policies may affect credible workforce planning, the retention of technical expertise & institutional knowledge, & impact the quality & relevance of the work of the Organization

| - Senior Manager’s Compact |
| - Senior Management Team |
| - e-Performance |
| - Compliance with OICT policies |
| - Knowledge management and staff learning opportunities |
| - Flexible Working Arrangements (FWA) are in place |
| - All Umoja modules as rolled out |

- Active engagement of ECE Secretariat in advancing the implementation of the UNDS reform
- UN Secretariat provides Member States feasible inputs to negotiations for GA decisions
- Strategic support and direction from EXCOM and Commission for roles and functions in the ECE region and beyond

**ECE senior management supports and implements programme objectives:**
- Programme of Work implementation is regularly monitored to ensure that senior managers are achieving programme objectives and delivering in accordance with the Secretariat’s mandates

**Harmonised UN Secretariat internal directions for implementation of new policies:**
- Umoja training for all staff
- FWA are formalised, monitored and adjusted as necessary
- Knowledge management systems are enhanced and opportunities for learning are sought
### 5. ICT Strategy, Infrastructure, Systems and Implementation (4.4.1 & 4.4.5)

<table>
<thead>
<tr>
<th>Risk category</th>
<th>Impact</th>
<th>Likelihood</th>
<th>Internal Control Effectiveness</th>
<th>Residual Risk</th>
<th>Risk Owner</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operations</td>
<td>3 – High</td>
<td>4 – Highly likely</td>
<td>3 – Significant improvement needed</td>
<td>High</td>
<td>Director PMSSD</td>
</tr>
</tbody>
</table>

**Risk Definition**
ICT strategies, including system development within programmes, are not aligned with the overall ICT strategy and policies of the Organization, nor appropriately coordinated. ICT infrastructure and systems do not support the information and workflow needs of the Organization, hindering its ability to efficiently and effectively meet its goals and objectives. Failure of information systems to adequately protect the critical data and infrastructure from theft, corruption, unauthorized use, viruses, or sabotage.

**Key Drivers**
- ICT strategies and operating models may not be fully aligned with the overall ICT strategy and policies of the Organization, as outlined in the Organizational policy documents and regulations
- A weak ICT governance framework, including monitoring and assessment, may result in inadequate strategic oversight of ICT operations
- Resources for ICT in the Organization are managed in a decentralized way, including outsourcing of some functions to consultants, resulting in extremely limited visibility on what might be happening
- Failure or weak system of controls that prevent access by unauthorized persons and ensure the integrity of the information
- Lack of robust and secure IT infrastructure and limited IT resources may impact ECE’s ability to meet its mandates and leave it open to cyber-attacks

**Internal Controls**
- Information sensitivity, classification, and handling (ST/SGB/2007/6)
- Use of Information and communication technology resources and data (ST/SGB/2004/15)
- ICT Policy Manual
- Mandatory Information Security Awareness Training for the staff
- Data Strategy of SG 2020-2022
- ECE ICT Strategy 2017-2022
- Directive No.21 ECE Management of ICT Assets and Equipment
- Periodic discussions within ECE Information and Communications Technology Management Group to align the ICT strategies with the overall strategy and operating objectives of ECE

**Risk Response**
- Design an adequate ICT governance structure to holistically manage the development framework across ECE’s divisions, with reporting lines, specific ownership of processes, monitoring and assessment
- Continue discussions with senior management to align ICT strategies with the overall strategy and operating objectives of the Organization
- Review existing ECE websites in terms of necessity, alignment with organizational requirements and for harmonization purposes
- Review the existing ICT Service level agreement with UNOG to ensure a secure and adequate infrastructure
- Ensure IT components of XB and UNDA projects are sufficiently resourced
- Organize activities to raise awareness on
- Lack of Information management framework to ensure knowledge is properly captured, managed and retained

UN-wide ICT policies, regulations and requirements and encourage all ECE staff to take training to improve IT skills and knowledge

- Design an asset management system to reinforce the application of ECE Directive 21 on ECE Management of ICT Assets and Equipment

- Develop an ECE information management framework, including a system to retain knowledge and records

<table>
<thead>
<tr>
<th>6. Organizational Structure (2.1.3)</th>
<th>Risk category</th>
<th>Impact</th>
<th>Likelihood</th>
<th>Internal Control Effectiveness</th>
<th>Residual Risk</th>
<th>Risk Owner</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance</td>
<td>3 – High</td>
<td>3 – Likely</td>
<td>3 – Significant improvement needed</td>
<td>Medium</td>
<td>Executive Secretary</td>
<td></td>
</tr>
</tbody>
</table>

Risk Definition

The overall structure of the UN Organization does not support the achievement of strategic, mandated, operational and other organizational and operating objectives in an efficient and effective manner. Lack of clarity as to organizational structure and responsibilities and objectives of the UN Secretariat and other UN departments or agencies leads to confusion, conflicting or redundant activities, and ultimately, loss of public and Member State trust and confidence in the Secretariat’s ability to achieve stated objectives.

Key Drivers

- “Silo” organizational structure mentality.
- Objectives and priorities of the different divisions may be divergent, as effective coordination may be weak
- Departments/offices compete for funds / resources & look to achieve their individual objectives without understanding the Organization’s overall objectives.
- Lack of adequate mechanisms to work towards common goals, increasing difficulty of implementing

Internal Controls

- Mandates & Accountability Framework
- Programme Budget 2021 (sect 20, 23, 35) and Proposed Programme Budget 2022
- ST/SGB/2008/9 Organisation of the Secretariat of the ECE
- Executive Secretary's

Risk Response

Synergy & coherence established between policy & operational work at all levels

- Workplans and strategy of the organization are streamlined and aligned to the Programme Plan
- Performance documents of all staff are aligned to the subprogrammes of work contained in the approved Programme Budget
- Cross sectorial approaches are consistently referred to in strategic documents and programme-wide results are strengthened
- Options are sought to facilitate swapping of staff
<table>
<thead>
<tr>
<th>cross-cutting activities.</th>
<th>Compact; Workplans of Directors of Divisions; Staff ePAS</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Staff members may receive conflicting messages from different heads of offices or departments and may be reluctant to work together</td>
<td>- Directors’ Meetings; Section Chiefs &amp; Division Staff meetings</td>
</tr>
<tr>
<td>- Some offices or organizational units may not have clearly defined organizational functions and reporting lines</td>
<td>- Townhall meetings and regular communication with all staff, and staff representatives</td>
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<td></td>
<td>- Working Group on Technical Cooperation</td>
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<tr>
<td></td>
<td>- The CEB and its subsidiary mechanisms</td>
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<td></td>
<td>- SMG, Coordination between the Regional Commissions</td>
</tr>
<tr>
<td></td>
<td>- Regular exchange of information with the UN Development Coordination Office (DCO) and UNSDG</td>
</tr>
<tr>
<td></td>
<td>- Regular discussions with UNOG and DCM to ensure delivery of the Programme of Work</td>
</tr>
</tbody>
</table>

at the same level between divisions
- The work of the Regional Advisers at the country level is framed by the National Action Plans, approved by the Deputy Executive Secretary

**Senior Management commits to achieving programme objectives and delivering the expected results contained in the Senior Manager’s Compact with the Secretary General**
- The Senior Manager’s Compact is prepared in consultation with Directors
- Strategic objectives of the organization are clearly communicated to senior management, and all staff on regular occasions

**Regular communication mechanisms are in place with key partners**
- ECE participates regularly in the CEB discussions
- Communication mechanisms are in place with DCO and UNSDG
- Senior leadership and project managers consult regularly with counterparts in other regional commissions
- Communication mechanisms are in place with UNOG and DCM
### 7. Budget Allocation (1.1.4)

<table>
<thead>
<tr>
<th>Risk category</th>
<th>Impact</th>
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<th>Residual Risk</th>
<th>Risk Owner</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic</td>
<td>3 – High</td>
<td>3 – Likely</td>
<td>4 – Limited improvement needed</td>
<td>Medium</td>
<td>Executive Secretary</td>
</tr>
</tbody>
</table>

### Risk Definition

Budget requests are not completely fulfilled impeding ability to effectively carry out mission, objectives, duties, plans and strategies. Day to day operations or unanticipated surges in workload can be affected by insufficient resources to carry out planned objectives and mandates. Budgetary requirements may not be appropriately articulated or evaluated relative to perceived objectives or needs. Existence of a rigid budget structure which prevents redeployment of funds.

### Key Drivers

- Insufficient support from Member States leads to budget reductions voted by the General Assembly
- Low implementation rates under RB entail budget reductions in the following year
- Liquidity situation of the Organization prevents the issuance of full allotments
- Freeze on recruitment has an impact on the planned deliverables and activities of the programme
- Liquidity situation reduces meeting servicing capabilities and capacity to implement planned deliverables and activities

### Internal Controls

- EXCOM, Commission, sectoral Committees
- Umoja: financial and performance monitoring systems
- Proactive discussions with UNOG and DGACM to ensure that ECE intergovernmental meetings are adequately serviced

### Risk Response

- The Secretariat of ECE continues to build trust with member States and mobilise support during the sessions of sectoral Committees, Convention bodies, EXCOM and Commission
- Alternate measures are identified, as necessary, to organize key intergovernmental meetings, the Regional UN system meeting and other key sub-regional events in different format if not possible in-person
- Alternate measures are identified, as necessary, to deploy ECE technical cooperation activities in a different format if travel is not possible
- Implementation of projects and programme of work are regularly monitored
- Senior managers review and prioritize activities and recruitment during budget constraints to ensure that key mandates are covered
### 8. Trust Funds Management (5.1.3)

<table>
<thead>
<tr>
<th>Risk category</th>
<th>Impact</th>
<th>Likelihood</th>
<th>Internal Control Effectiveness</th>
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<th>Risk Owner</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial</td>
<td>4 – Significant</td>
<td>3 – Likely</td>
<td>5 – Effective</td>
<td>Medium</td>
<td>Executive Secretary</td>
</tr>
</tbody>
</table>

#### Risk Definition

*Inability to identify, establish and maintain the optimal structure and controls for trust funds resulting in loss or misuse of assets.*

#### Key Drivers

- Trust fund managers may have limited mechanisms to ensure stewardship of funds by implementing agencies and to enforce proper reporting on the use and impact of funds
- Potential weaknesses in the establishment and maintenance of adequate controls on the use & impact of funds, and to mitigate fiduciary or corruption risks, could expose the Organization to significant reputational issues
- Inadequate performance and accountability frameworks, including effective monitoring and evaluation mechanisms and appropriate results indicators, may impact the ability to measure the outcomes of funding activities

#### Internal Controls

- Umoja
- Financial reporting on donor contributions
- Project Monitoring Tool
- EXCOM, Conventions and Governing bodies
- Directive on the management of extrabudgetary funding
- Grants Committee
- Donor Agreements
- Internal Audit
- Evaluation Policy and Evaluation workplan approved by EXCOM
- Risk Register & Risk Treatment Plans

#### Risk Response

**Extrabudgetary projects are approved in line with established framework**
- Technical Cooperation projects presented by the Secretariat are approved by EXCOM
- Essential review and approval of projects relating to Conventions is first performed by the respective governing bodies

**Extrabudgetary projects are managed in line with established framework**
- Financial and performance monitoring and reporting as per donor agreements and UN financial rules and regulations
- Annual reporting to the Grants Committee

**Accountability mechanisms are in place to inform member States, senior leadership, donors, and beneficiaries**
- Continuous self-evaluation, management response, and progress reports are available on ECE public website
- Risk register and Risk Treatment Plans are monitored and adjusted as necessary.
- The Project Monitoring Tool (PMT) is regularly updated to provide transparent information to Member States
9. Public Perception, Support and Reputation (1.4.1)

<table>
<thead>
<tr>
<th>Risk category</th>
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<th>Internal Control Effectiveness</th>
<th>Residual Risk</th>
<th>Risk Owner</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reputation</td>
<td>4 – Significant</td>
<td>3 – Likely</td>
<td>4 – Limited improvement needed</td>
<td>Medium</td>
<td>Executive Secretary</td>
</tr>
</tbody>
</table>

**Risk Definition**
The Organization may lose key staff, contributors, and other partners or alliances and Member States' support due to negative publicity, reported illegal acts, inability to meet set operational objectives, and/or non-compliance with rules and regulations. Inability to appropriately react and respond to adverse publicity.

**Key Drivers**
- Tools to properly analyse and then monitor the integrity profile of donors, partners and officials working for them, or their capacity to deliver might not be effective
- Personal interest of staff in entities doing business with the Organization, use of internal knowledge and connections for personal interest, or acts committed by UN staff, experts or partners for their personal benefit impede the Organization's reputation

**Internal Controls**
- Due diligence from Project Managers, Secretaries of intergovernmental bodies
- ECE framework for engagement with the private sector
- Global Compact
- Active management of Memoranda of Understanding (MoU) and Partnerships
- Evaluation Policy (ST/AI/2021/3) and ECE specific policy
- Regular audit of ECE activities
- Mandatory trainings
- Protection against retaliation for reporting misconduct and for cooperating with duly authorized audits or investigations
- OIOS performs regular audits of ECE activities, guided by the risk register
- Senior managers are accountable to implement recommendations in a timely manner
- Risk register and Risk Treatment Plans are monitored and adjusted as necessary

**Risk Response**
- Continuous monitoring of the external stakeholders involved in ECE activities
  - Due diligences of all stakeholders are conducted by Project Managers, Secretaries of intergovernmental bodies and respective directors before presenting Technical Cooperation projects or Memoranda of Understanding, including new partnerships and collaboration with Centres of Excellence
  - Protection is enhanced for individuals who report misconduct or cooperate with duly authorized audits or investigations
  - Oversight mechanisms are in place
    - Prior to elaborating a new partnership, Directors present a strategic assessment of the proposal/potential partner to the DES. Relevant due diligence measures apply. Upon the signature of a new partnership agreement, member States are informed via EXCOM. Periodic reports on partnerships are presented to EXCOM.
    - Evaluations are conducted in line with the Evaluation policy, management responses are signed by directors, implementation of recommendations is tracked and reported to EXCOM
    - OIOS performs regular audits of ECE activities, guided by the risk register
    - Senior managers are accountable to implement recommendations in a timely manner
    - Risk register and Risk Treatment Plans are monitored and adjusted as necessary

**ECE Staff Members keep abreast of existing rules and regulations**
- Mandatory trainings are completed by all staff
- Leadership dialogues are conducted within divisions and attended by all staff members
- Regular broadcasts by senior management recall the regulatory framework
Annexes

Annex I  Strategic Objectives of the Department
Annex II  Secretariat Risk Universe
Annex III  Scoring Criteria for the measurement of Impact, Likelihood and level of Control Effectiveness
Annex I

**Strategic Objectives of the Economic Commission for Europe**

As per the proposed programme plan for 2023 (*A/77/6(Sect. 20)*), recommended for approval by the Committee for Programme and Cooperation (*A/77/16*), the strategic objective of the Economic Commission for Europe is to promote regional cooperation and integration as a means of achieving sustainable development in the ECE region.

The objectives of the subprogrammes are defined as follows:

(i) To improve environmental governance and performance for safeguarding the environment and health;

(ii) To advance a regionally and globally sustainable inland transport (road, rail, inland waterway and intermodality) system by making it safer, cleaner, more efficient and more affordable, both for freight transport and people’s mobility;

(iii) To advance official statistics at the national and international levels for evidence-based policymaking and assessing progress towards achieving the Sustainable Development Goals and to ensure the coordination of statistical activities in the ECE region under the Conference of European Statisticians;

(iv) To strengthen policies on innovation, competitiveness and public-private partnerships in the ECE region;

(v) To ensure secure access to affordable, reliable, sustainable and modern energy for all and to reduce greenhouse gas emissions and the carbon footprint of the energy sector in the region;

(vi) To strengthen trade facilitation and electronic business, regulatory cooperation and standardization policies, agricultural quality standards and trade-related economic cooperation in the ECE region and beyond;

(vii) To strengthen the sustainable management of forests and enhance the contribution of forests and forest products to sustainable development in the ECE region;

(viii) To strengthen member State-owned and city-level programmes and policies promoting decent, adequate, affordable, energy-efficient and healthy housing for all, smart sustainable cities, sustainable urban development and land management, and to advance evidence-based population and social cohesion policies.
## Annex II

### United Nations Secretariat Risk Universe

<table>
<thead>
<tr>
<th>1 STRATEGIC</th>
<th>2 GOVERNANCE</th>
<th>3 MANAGERIAL</th>
<th>4 OPERATIONS</th>
<th>5 FINANCIAL</th>
<th>7 FRAUD and CORRUPTION</th>
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<tr>
<td>1.1 Planning</td>
<td>2.1 Governance</td>
<td>3.1 General Management</td>
<td>4.1 Support Services</td>
<td>5.1 Funding and Investments</td>
<td>7.1 Fraud Control Environment</td>
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<tr>
<td>1.1.1 Vision and Mission</td>
<td>2.1.1 Tone at the Top</td>
<td>3.1.1 Mgmt of Org. Transformation</td>
<td>4.1.1 Translation and Interpretation</td>
<td>5.1.1 Financial Contributions</td>
<td>7.1.1 Organizational Culture &amp; Environ</td>
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<td>1.1.2 Strategic Planning</td>
<td>2.1.2 Leadership and Management</td>
<td>3.1.2 Leadership and Change Management</td>
<td>4.1.2 Procurement</td>
<td>5.1.2 Extra-budgetary Funding</td>
<td>7.1.2 ICT Governance &amp; Cyber Security</td>
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<td>1.1.3 Budgeting</td>
<td>2.1.3 Staff Management Relations</td>
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<td>4.1.3 Supplier Management</td>
<td>5.1.3 Trust Fund Management</td>
<td>7.1.3 UNPCA System Control Environment</td>
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<td>1.1.4 Budget Allocation</td>
<td>2.1.4 Asset and Inventory Management</td>
<td>3.1.4 Facilities and Real Estate Mgmt</td>
<td>4.1.4 Asset and Inventory Management</td>
<td>5.1.4 Donor Fund Mgmt &amp; Reporting</td>
<td>7.1.4 Human Resources Management</td>
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<tr>
<td>1.1.5 Org. Performance Measurement</td>
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<td>3.1.5 Facilities and Real Estate Mgmt</td>
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<td>5.1.5 Cash Management</td>
<td>7.1.5 Upfront Payment Management</td>
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<td>3.1.6 Facilities and Real Estate Mgmt</td>
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<td>5.1.7 Financial Markets</td>
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<td>3.1.9 Facilities and Real Estate Mgmt</td>
<td>4.1.9 Facilities and Real Estate Mgmt</td>
<td>5.1.9 Insurance</td>
<td>7.1.9 Ethics and Compliance Management</td>
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<tr>
<td>1.1.10 Org. Transf n. &amp; Mgmt Reforms</td>
<td>2.1.10 Facilities and Real Estate Mgmt</td>
<td>3.1.10 Facilities and Real Estate Mgmt</td>
<td>4.1.10 Facilities and Real Estate Mgmt</td>
<td>5.1.10 Procurement Management</td>
<td>7.1.10 Reputation Management</td>
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<td>1.2 Principal Organc. Partners</td>
<td>2.2 Ethical Behaviour</td>
<td>3.2 Programme Management</td>
<td>4.2 Human Resources</td>
<td>5.2 Accounting and Reporting</td>
<td>7.2 Programme Delivery</td>
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<td>1.2.1 O &amp; M Member States</td>
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<td>3.2.1 Advocacy</td>
<td>4.2.1 Human Resources</td>
<td>5.2.1 Financial Management</td>
<td>7.2.1 Procurement Management</td>
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<td>1.2.2 Partners and Donors</td>
<td>2.2.2 Sexual Exploitation and Abuse</td>
<td>3.2.2 Outreach Activities</td>
<td>4.2.2 Human Resources</td>
<td>5.2.2 Financial Management</td>
<td>7.2.2 Implementing Partners</td>
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<td>1.2.3 Inter-Agency Coordination</td>
<td>2.2.3 Sexual Harassment</td>
<td>3.2.3 Economic and Social Development</td>
<td>4.2.3 Human Resources</td>
<td>5.2.3 Financial Management</td>
<td>7.2.3 Contingent-Owned Equipment</td>
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<td>1.3 Internal &amp; External Factors</td>
<td>2.2.4 Professional Conduct</td>
<td>3.2.4 Research Analysis and Advisory</td>
<td>4.2.4 Human Resources</td>
<td>5.2.4 Financial Management</td>
<td>7.2.4 Fraud Management</td>
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<tr>
<td>1.3.1 Political Climate - Internal</td>
<td>2.2.5 Human Rights</td>
<td>3.2.5 Human Rights</td>
<td>4.2.5 Human Resources</td>
<td>5.2.5 Financial Management</td>
<td>7.2.5 Contracts Management</td>
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<td>1.3.2 Political Climate - External</td>
<td>2.2.6 Human Rights</td>
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<td>4.2.6 Human Resources</td>
<td>5.2.6 Financial Management</td>
<td>7.2.6 Risk Management</td>
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<td>1.3.3 Economic Factors - Commodity</td>
<td>2.2.7 Human Rights</td>
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<td>4.2.7 Human Resources</td>
<td>5.2.7 Financial Management</td>
<td>7.2.7 Compliance Management</td>
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<td>1.3.4 Unique Events (i.e. Pandemic)</td>
<td>2.2.8 Human Rights</td>
<td>3.2.8 Human Rights</td>
<td>4.2.8 Human Resources</td>
<td>5.2.8 Financial Management</td>
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<td>5.2.10 Financial Management</td>
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<td>1.4.1 Public Perception &amp; Reputation</td>
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<td>4.2.11 Human Resources</td>
<td>5.2.11 Financial Management</td>
<td>7.2.11 Procurement Management</td>
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<td>1.4.2 Crisis &amp; Contingency Mgmt</td>
<td>2.2.12 Human Rights</td>
<td>3.2.12 Human Rights</td>
<td>4.2.12 Human Resources</td>
<td>5.2.12 Financial Management</td>
<td>7.2.12 Procurement Management</td>
</tr>
</tbody>
</table>

### 3.3 Mission activities

- 3.3.1 Peacekeeping/SPM Mandates
- 3.3.2 Electoral Support
- 3.3.3 Rule of Law
- 3.3.4 Mission Planning
- 3.3.5 Mission Start-Up
- 3.3.6 Mission Liquidation
- 3.3.7 Logistical Support
- 3.3.8 Air, Land and Sea Operations
- 3.3.9 Engineering
- 3.3.10 Communications
- 3.3.11 Mission Staffing
- 3.3.12 Mission creep

### 4.4 Information Resources & IT

- 4.4.1 IT Strategy
- 4.4.2 IT Security and Access
- 4.4.3 IT Availability and Continuity
- 4.4.4 IT Integrity
- 4.4.5 IT Infrastructure

### 5.3 Environmental Sustainability

- 5.3.1 Environmental Management

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### Scoring Criteria for the measurement of Impact, Likelihood and Level of Control Effectiveness

#### Impact

<table>
<thead>
<tr>
<th>Score</th>
<th>Rating</th>
<th>Description of impact</th>
<th>Recovery</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Safety and security</td>
<td>Duration</td>
</tr>
<tr>
<td>5</td>
<td>Critical</td>
<td>Loss of life (staff, partners, general population)</td>
<td>Potentially irrecoverable impact</td>
</tr>
<tr>
<td>4</td>
<td>Significant</td>
<td>Loss of life due to accidents/ non-hostile activities</td>
<td>Recoverable in the long term (i.e., 24-36 months)</td>
</tr>
<tr>
<td>3</td>
<td>High</td>
<td>Injury to United Nations staff, partners and the general population</td>
<td>Recoverable in the short term (i.e., 12-24 months)</td>
</tr>
<tr>
<td>2</td>
<td>Moderate</td>
<td>Loss of infrastructure, equipment or other assets</td>
<td>Temporary (i.e., less than 12 months)</td>
</tr>
<tr>
<td>1</td>
<td>Low</td>
<td>Damage to infrastructure, equipment or other assets</td>
<td>Not applicable or limited impact</td>
</tr>
</tbody>
</table>
### Scoring Criteria for the measurement of Impact, Likelihood and Level of Control Effectiveness

#### Likelihood

<table>
<thead>
<tr>
<th>Score</th>
<th>Rating</th>
<th>Certainty</th>
<th>Frequency</th>
<th>Score</th>
<th>Rating</th>
<th>Description</th>
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<tbody>
<tr>
<td>5</td>
<td>Expected</td>
<td>&gt;90 per cent</td>
<td>At least yearly and/or multiple occurrences within the year</td>
<td>5</td>
<td>Effective</td>
<td>Controls are properly designed and operating as intended. Management activities are effective in managing and mitigating risks</td>
</tr>
<tr>
<td>4</td>
<td>Highly likely</td>
<td>&lt;90 per cent</td>
<td>Approximately every 1-3 years</td>
<td>4</td>
<td>Limited improvement needed</td>
<td>Controls and/or management activities are properly designed and operating somewhat effectively, with some opportunities for improvement identified</td>
</tr>
<tr>
<td>3</td>
<td>Likely</td>
<td>&lt;60 per cent</td>
<td>Approximately every 3-7 years</td>
<td>3</td>
<td>Significant improvement needed</td>
<td>Key controls and/or management activities in place, with significant opportunities for improvement identified</td>
</tr>
<tr>
<td>2</td>
<td>Not likely</td>
<td>&lt;30 per cent</td>
<td>Approximately every 7-10 years</td>
<td>2</td>
<td>Ineffective</td>
<td>Limited controls and/or management activities are in place, high level of risk remains. Controls and/or management activities are designed and are somewhat ineffective in efficiently mitigating risk or driving efficiency</td>
</tr>
<tr>
<td>1</td>
<td>Slight</td>
<td>&lt;10 per cent</td>
<td>Every 10 years and beyond or rarely</td>
<td>1</td>
<td>Highly ineffective</td>
<td>Controls and/or management activities are non-existent or have major deficiencies and do not operate as intended. Controls and/or management activities as designed are highly ineffective in efficiently mitigating risk or driving efficiency</td>
</tr>
</tbody>
</table>

#### Level of Internal Control / Management Effectiveness

<table>
<thead>
<tr>
<th>Score</th>
<th>Rating</th>
<th>Description</th>
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<tbody>
<tr>
<td>5</td>
<td>Effective</td>
<td>Controls are properly designed and operating as intended. Management activities are effective in managing and mitigating risks</td>
</tr>
<tr>
<td>4</td>
<td>Limited improvement needed</td>
<td>Controls and/or management activities are properly designed and operating somewhat effectively, with some opportunities for improvement identified</td>
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<tr>
<td>3</td>
<td>Significant improvement needed</td>
<td>Key controls and/or management activities in place, with significant opportunities for improvement identified</td>
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<tr>
<td>2</td>
<td>Ineffective</td>
<td>Limited controls and/or management activities are in place, high level of risk remains. Controls and/or management activities are designed and are somewhat ineffective in efficiently mitigating risk or driving efficiency</td>
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<tr>
<td>1</td>
<td>Highly ineffective</td>
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