



**ERM** Enterprise  
Risk Management

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# Risk Register 2023-2024

*UNECE*

*October 2023*

## 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 August 2023, in line with the latest guidance prepared by DMSPC, as outlined in the memorandum from the USG DMSPC dated 20 April 2023. 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.
- The current document has guided the discussion on annual risk-based planning for UNECE with OIOS in September 2023.

#### *The way forward*

- UNECE will continue to update its Risk register in 2024. UNECE will also be informed by the Secretariat-wide guidance developed by DMSPC 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) was conducted by OIOS in 2022 and presented to the Committee of Programme and Coordination (CPC) at its 63rd session (June 2023); relevant recommendations and opportunities for improvement have been included in the current Risk Register.
- A programme-level evaluation of UNECE, focusing on its role to support the implementation of the 2030 Agenda for Sustainable Development, in the context of the UN development system reform was also conducted in 2023 and the evaluation report being finalized in July-August 2023; relevant recommendations and opportunities for improvement will be included in the next version of the Risk Register.
- In compliance with the process outlined in the memorandum from the USG DMSPC dated 20 April 2023, UNECE reports annually on the progress of implementation of its risk treatment plans.


### Risk Dashboard<sup>1</sup>

STRATEGIC	GOVERNANCE	FINANCIAL	OPERATIONS
<b>Internal &amp; external Factors</b>	<b>Governance</b>	<b>Funding and Investments</b>	<b>Information Resources &amp; IT</b>
<b>Political Climate - External (1.3.1)</b>	<b>Accountability (2.1.5)</b>	<b>Extrabudgetary Funding (5.1.2)</b>	<b>IT Strategy and Systems Implementation (4.4.1)</b>
<b>Planning and Resource</b>	<b>Organizational Structure (2.1.3)</b>	<b>Trust Funds Management (5.1.3)</b>	
<b>Organizational Transformation (1.1.10)</b>			
<b>Budget Allocation (1.1.4)</b>			
<b>Reputation</b>			
<b>Public Perception, Support and Reputation (1.4.1)</b>			

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


<sup>1</sup> 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

<b>1. Extrabudgetary Funding (5.1.2)</b>	<b>Risk category</b>	<b>Impact</b>	<b>Effectiveness of Internal Control on Impact</b>	<b>Likelihood</b>	<b>Effectiveness of Internal Control on Likelihood</b>	<b>Residual Risk</b>	<b>Risk Score</b>	<b>Risk Owner</b>
	<i>Financial</i>	<i>5 – Critical</i>	<i>2 – Significant improvement needed</i>	<i>4 – Highly likely</i>	<i>2 – Significant improvement needed</i>	<i>Very High</i> 	<i>6</i>	<i>Executive Secretary</i>

<b>Risk Definition</b>	<i>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.</i>
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<b>Key Drivers</b>	<b>Internal Controls</b>	<b>Risk Response</b>
<ul style="list-style-type: none"> <li>- Donors might change priorities or move resources to other actors. Inherent instability of the operations may impact the ability to plan strategically</li> <li>- The approval of new extrabudgetary projects at EXCOM becomes challenging, because ECE member States are divided and do not reach consensus</li> <li>- 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 à la carte") and impacting credibility</li> <li>- Loss in extra-budgetary funding will impact the programme support accounts and may also significantly affect the Organization's regular programme of work</li> </ul>	<ul style="list-style-type: none"> <li>- Annual Report on Technical Cooperation to EXCOM</li> <li>- Documentation provided to EXCOM and available in ECE website</li> <li>- ECE Resource Mobilization Strategy and Resource Mobilization Action Plans</li> <li>- Technical Cooperation strategy and internal Directive on RPTC and Regional Advisers</li> </ul>	<ul style="list-style-type: none"> <li>- <b>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</b></li> <li>- <b>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</b></li> <li>- <b>Resource Mobilization Action Plans are realistic and updated with all relevant donors included</b></li> <li>- <b>The ECE Technical Cooperation Strategy and the internal Directive on RPTC (Directive 22) frame the objectives and modalities of Technical Cooperation</b></li> </ul>

<b>2. Political Climate - External (1.3.1)</b>	<b>Risk category</b>	<b>Impact</b>	<b>Effectiveness of Internal Control on Impact</b>	<b>Likelihood</b>	<b>Effectiveness of Internal Control on Likelihood</b>	<b>Residual Risk</b>	<b>Risk Score</b>	<b>Risk Owner</b>
	<i>Strategic</i>	<i>5 – Critical</i>	<i>2 – Significant improvement needed</i>	<i>5 – Expected</i>	<i>2 – Significant improvement needed</i>	<i>Very High</i> 	<i>9</i>	<i>Executive Secretary</i>

<b>Risk Definition</b>	<i>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.</i>
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<b>Key Drivers</b>	<b>Internal Controls</b>	<b>Risk Response</b>
<ul style="list-style-type: none"> <li>- ECE intergovernmental processes are affected because of the political climate</li> <li>- ECE extrabudgetary projects and regular budget discussions are more complicated because of the political divide among member States</li> <li>- ECE Staff members comment on unfolding events and make personal statements</li> </ul>	<ul style="list-style-type: none"> <li>- Article 100 of the <a href="#">Charter of the United Nations</a></li> <li>- Article I of Staff regulations and rules (<a href="#">ST/SGB/2018/1</a>)</li> <li>- Secretary-General’s key messages</li> <li>- Strict adherence to ECE mandates</li> <li>- Rules of procedures of Commission, EXCOM, Conventions and subsidiary bodies</li> <li>- Accountability framework</li> </ul>	<p><b>Broadcasts from the Executive Secretary to ECE Staff</b></p> <ul style="list-style-type: none"> <li>- Recalling Article 100 of the Charter and Article I of the Staff regulations and rules</li> <li>- Inviting Staff members to remain impartial and independent in any circumstances and adhere to the messages of the Secretary-General</li> </ul> <p><b>Continuous dialogue with ECE member States</b></p> <ul style="list-style-type: none"> <li>- Adherence to the rules of procedures</li> <li>- The secretariat seeks consensus whenever possible.</li> <li>- ECE technical cooperation projects are anchored in ECE mandates and demands from member States</li> </ul> <p><b>Accountability mechanisms are in place to inform member States, senior leadership, donors, and beneficiaries.</b></p>

### Risk Register: Other Risks Areas


<b>3. Organizational Transformation (1.1.10)</b>	<b>Risk category</b>	<b>Impact</b>	<b>Effectiveness of Internal Control on Impact</b>	<b>Likelihood</b>	<b>Effectiveness of Internal Control on Likelihood</b>	<b>Residual Risk</b>	<b>Risk Score</b>	<b>Risk Owner</b>
	<i>Strategic</i>	<i>5 – Critical</i>	<i>2 – Significant improvement needed</i>	<i>3 – Likely</i>	<i>2 – Significant improvement needed</i>	High 	<i>3</i>	<i>Executive Secretary</i>

<b>Risk Definition</b>	<i>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.</i>
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<b>Key Drivers</b>	<b>Internal Controls</b>	<b>Risk Response</b>
<ul style="list-style-type: none"> <li>- Change fatigue, Organization is involved in different simultaneous transformation projects (Umoja, reform of the UNDS, Management reform)</li> <li>- Redefinition of relationship between the regional, subregional and country levels of the UN Development System and related coordination functions</li> <li>- Layering of additional mandates &amp; shrinking resources from the regular budget. Lack of systematic review of the implications of funding gaps</li> <li>- Tendency to devise subprogrammes without taking Organization-wide view</li> <li>- Highly risk-averse culture. Fear of taking responsibility and making decisions</li> <li>- Senior managers &amp; staff at all levels could resist change and have a vested interest in maintaining the status quo</li> <li>- A substantial number of legacy practices are followed without critical re-examination of their adequacy</li> </ul>	<ul style="list-style-type: none"> <li>- Strategic vision and direction</li> <li>- Proposed programme budget</li> <li>- EXCOM and ECE Commission</li> <li>- USG Membership of Internal Review Team to define the new roles and functions</li> <li>- Senior Manager’s Compact</li> <li>- Senior Management Team</li> <li>- e-Performance</li> <li>- Compliance with OICT policies</li> </ul>	<p><b>Strategic vision is reflected in corporate documents and supported by member States:</b></p> <ul style="list-style-type: none"> <li>- Executive Secretary establishes strategic direction of ECE within the context of the broader Secretariat mandate and vision</li> <li>- Proposed programme budget is prepared in consultation with ECE member States, supports change and responds to Member States reform proposals</li> <li>- Active engagement of ECE Secretariat in advancing the implementation of the UNDS reform</li> <li>- UN Secretariat provides Member States feasible inputs to negotiations for GA decisions</li> <li>- Strategic support and direction from EXCOM and Commission for roles and functions in the ECE region and beyond</li> </ul>

<ul style="list-style-type: none"> <li>- Inadequate tools to facilitate cultural change, e.g. flexibility to move resources</li> <li>- Limited understanding of Umoja’s enterprise-wide impact</li> <li>- Future mobility policies may affect credible workforce planning, the retention of technical expertise &amp; institutional knowledge, &amp; impact the quality &amp; relevance of the work of the Organization</li> </ul>	<ul style="list-style-type: none"> <li>- Knowledge management and staff learning opportunities</li> <li>- Flexible Working Arrangements (FWA) are in place</li> </ul> <p>All Umoja modules as rolled out</p>	<p><b>ECE senior management supports and implements programme objectives:</b></p> <ul style="list-style-type: none"> <li>- 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</li> </ul> <p><b>Harmonised UN Secretariat internal directions for implementation of new policies:</b></p> <ul style="list-style-type: none"> <li>- Umoja training for all staff</li> <li>- FWA are formalised, monitored and adjusted as necessary</li> <li>- Knowledge management systems are enhanced and opportunities for learning are sought</li> </ul>
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<b>4. Accountability (2.1.5)</b>	<b>Risk category</b>	<b>Impact</b>	<b>Effectiveness of Internal Control on Impact</b>	<b>Likelihood</b>	<b>Effectiveness of Internal Control on Likelihood</b>	<b>Residual Risk</b>	<b>Risk Score</b>	<b>Risk Owner</b>
	<i>Governance</i>	<i>3 – High</i>	<i>2 – Significant improvement needed</i>	<i>4 – Highly likely</i>	<i>2 – Significant improvement needed</i>	<i>Medium</i> 	<i>2</i>	<i>Executive Secretary</i>

<b>Risk Definition</b>	<i>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.</i>
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<b>Key Drivers</b>	<b>Internal Controls</b>	<b>Risk Response</b>
<ul style="list-style-type: none"> <li>- An effective accountability system linking performance &amp; reporting mechanisms (compacts, programme performance reports, audits, evaluations &amp; performance management), &amp; providing transparency to managers &amp; staff, Member States, stakeholders, may not always be clearly articulated</li> <li>- Potentially unclear delegation of decision-making responsibilities instituted for programme managers</li> <li>- Limited consequences in place to sanction staff and managers for not meeting goals</li> <li>- 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</li> <li>- Management &amp; work planning process &amp; culture may not be results-driven or guided by requirements and funding potential</li> </ul>	<ul style="list-style-type: none"> <li>- UNECE Accountability Framework</li> <li>- Delegation of authority for HR and finance</li> <li>- Senior Manager’s Compact</li> <li>- e-Performance</li> <li>- System of internal justice</li> <li>- Proposed programme budget</li> <li>- Risk Register and Risk Treatment Plans</li> </ul>	<p><b>The Accountability Framework and the Delegation of Authority clarify roles and responsibilities</b></p> <ul style="list-style-type: none"> <li>- The Accountability Framework is updated as necessary</li> <li>- The Delegation of Authority is fully implemented: certifying, authorizing and approving officers ensure full compliance with UN Financial Regulations and Rules</li> <li>- HR officer ensures full compliance with UN HR policies</li> </ul> <p><b>The Senior Manager Compact summarizes the key commitments of the organization</b></p> <ul style="list-style-type: none"> <li>- Compact is prepared in collaboration with the Directors</li> <li>- HR and finance objectives and targets contained in the Senior Manager Compact are met</li> <li>- Senior Manager Compact is monitored and reported as per EOSG established deadlines</li> </ul>


<p>- Managers may be afraid of and discouraged from taking decisions due to a risk-averse culture</p>		<p><b>A critical linkage is maintained between institutional and individual accountability through the Executive Secretary’s Compact and e-Performance of managers and staff</b></p> <ul style="list-style-type: none"><li>- Objectives defined in the ES Compact cascade in Directors’ and staff performance documents</li><li>- The performance of all staff is assessed annually in a fair and consistent manner in line with the OHR guidance</li><li>- Performance documents implementation is monitored and reported annually</li><li>- Mandatory trainings on project management for UNECE staff in charge of projects</li><li>- Staff performance is monitored and addressed regularly, not limited to the formalized Performance documents system</li><li>- Staff concerns are effectively addressed by managers during discussions</li></ul> <p><b>The Proposed programme budget reports on the implementation of results agreed on previous period</b></p> <p><b>Risk register and Risk Treatment Plans are monitored and adjusted as necessary</b></p> <ul style="list-style-type: none"><li>- Mandatory risk management training for all senior managers</li><li>- Proactive mitigation of risks outlined in the Risk Register</li></ul>
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<b>5. IT Strategy, and Systems Implementation (4.4.1)</b>	<b>Risk category</b>	<b>Impact</b>	<b>Effectiveness of Internal Control on Impact</b>	<b>Likelihood</b>	<b>Effectiveness of Internal Control on Likelihood</b>	<b>Residual Risk</b>	<b>Risk Score</b>	<b>Risk Owner</b>
	<i>Operations</i>	<i>3 – High</i>	<i>2 – Significant improvement needed</i>	<i>4 – Highly likely</i>	<i>3 – Significant improvement needed</i>	<i>Medium</i> 	2	Director PMSSD

<b>Risk Definition</b>	<p><i>ICT strategies, including system development within programmes, are not aligned with the overall ICT strategy and policies of the Organization, nor appropriately coordinated.</i></p> <p><i>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.</i></p> <p><i>Failure of information systems to adequately protect the critical data and infrastructure from theft, corruption, unauthorized use, viruses, or sabotage.</i></p>
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<b>Key Drivers</b>	<b>Internal Controls</b>	<b>Risk Response</b>
<ul style="list-style-type: none"> <li>- 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</li> <li>- A weak ICT governance framework, including monitoring and assessment, may result in inadequate strategic oversight of ICT operations</li> <li>- 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</li> <li>- Failure or weak system of controls that prevent access by unauthorized persons and ensure the integrity of the information</li> <li>- 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</li> </ul>	<ul style="list-style-type: none"> <li>- Information sensitivity, classification, and handling (ST/SGB/2007/6)</li> <li>- Use of Information and communication technology resources and data (ST/SGB/2004/15)</li> <li>- ICT Policy Manual</li> <li>- Mandatory Information Security Awareness Training for the staff</li> <li>- Data Strategy of SG 2020-2022</li> <li>- ECE ICT Strategy 2017-2022</li> <li>- Directive No.21 ECE Management of ICT Assets and Equipment</li> </ul>	<ul style="list-style-type: none"> <li>- Design an adequate ICT governance structure to holistically manage the development framework across ECE’s divisions, with reporting lines, specific ownership of processes, monitoring, assessment and funding requirements.</li> <li>- Continue discussions with senior management to align ICT strategies with the overall strategy and operating objectives of the Organization</li> <li>- Review existing ECE websites in terms of necessity, alignment with organizational requirements and for harmonization purposes, including business plans, original deployment funding, and medium to long term plan to support the websites</li> <li>- Ensure the immediate cybersecurity patches required for the UNLOCODE and establish a subsequent medium to long term plan to</li> </ul>


<p>- Lack of Information management framework to ensure knowledge is properly captured, managed and retained</p>	<p>- Periodic discussions within ECE Information and Communications Technology Management Group to align the ICT strategies with the overall strategy and operating objectives of ECE</p>	<p>support a more comprehensive upgrade as required by member States</p> <ul style="list-style-type: none"> <li>- Review the existing ICT Service level agreement with UNOG to ensure a secure and adequate infrastructure</li> <li>- Ensure IT components of XB and UNDA projects are sufficiently resourced</li> <li>- Organize activities to raise awareness on UN-wide ICT policies, regulations and requirements and encourage all ECE staff to take training to improve IT skills and knowledge</li> <li>- Design an asset management system to reinforce the application of ECE Directive 21 on ECE Management of ICT Assets and Equipment</li> <li>- Develop an ECE information management framework, including a system to retain knowledge and records</li> </ul>
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<b>6. Organizational Structure (2.1.3)</b>	<b>Risk category</b>	<b>Impact</b>	<b>Effectiveness of Internal Control on Impact</b>	<b>Likelihood</b>	<b>Effectiveness of Internal Control on Likelihood</b>	<b>Residual Risk</b>	<b>Risk Score</b>	<b>Risk Owner</b>
	<i>Governance</i>	<i>3 – High</i>	<i>2 – Significant improvement needed</i>	<i>3 – Likely</i>	<i>3 – Significant improvement needed</i>	<i>Low</i> 	<i>1</i>	<i>Executive Secretary</i>

<b>Risk Definition</b>	<i>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.</i>
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<b>Key Drivers</b>	<b>Internal Controls</b>	<b>Risk Response</b>
<ul style="list-style-type: none"> <li>- “Silo” organizational structure mentality.</li> <li>- Objectives and priorities of the different divisions may be divergent, as effective coordination may be weak</li> <li>- Departments/offices compete for funds / resources &amp; look to achieve their individual objectives without understanding the Organization’s overall objectives.</li> <li>- Lack of adequate mechanisms to work towards common goals, increasing difficulty of implementing cross-cutting activities.</li> <li>- Staff members may receive conflicting messages from different heads of offices or departments and may be reluctant to work together</li> <li>- Some offices or organizational units may not have clearly defined organizational functions and reporting lines</li> </ul>	<ul style="list-style-type: none"> <li>- Mandates &amp; Accountability Framework</li> <li>- Programme Budget 2021 (sect 20, 23, 35) and Proposed Programme Budget 2022</li> <li>- ST/SGB/2008/9 Organisation of the Secretariat of the ECE</li> <li>- Executive Secretary’s Compact; Workplans of Directors of Divisions; Staff ePAS</li> <li>- Directors’ Meetings; Section Chiefs &amp; Division Staff meetings</li> <li>- Townhall meetings and regular communication with all staff, and staff representatives</li> <li>- Working Group on Technical Cooperation</li> <li>- SMG, Coordination between the Regional Commissions</li> </ul>	<p><b>Synergy &amp; coherence established between policy &amp; operational work at all levels</b></p> <ul style="list-style-type: none"> <li>- Workplans and strategy of the organization are streamlined and aligned to the Programme Plan</li> <li>- Performance documents of all staff are aligned to the subprogrammes of work contained in the approved Programme Budget</li> <li>- Cross sectorial approaches are consistently referred to in strategic documents and programme-wide results are strengthened</li> <li>- Options are sought to facilitate swapping of staff at the same level between divisions</li> <li>- The work of the Regional Advisers at the country level is framed by the National Action Plans, approved by the Deputy Executive Secretary</li> </ul> <p><b>Senior Management commits to achieving programme objectives and delivering the expected results contained in the Senior</b></p>

<p>- Lack of comprehensive framework to document, track and report on Member States' requests for technical assistance</p>	<p>- Regular exchange of information with the UN Development Coordination Office (DCO) and UNSDG</p> <p>- Regular discussions with UNOG and DCM to ensure delivery of the Programme of Work</p>	<p><b>Manager's Compact with the Secretary General</b></p> <ul style="list-style-type: none"> <li>- The Senior Manager's Compact is prepared in consultation with Directors</li> <li>- Strategic objectives of the organization are clearly communicated to senior management, and all staff on regular occasions</li> </ul> <p><b>Regular communication mechanisms are in place with key partners</b></p> <ul style="list-style-type: none"> <li>- Communication mechanisms are in place with DCO and UNSDG</li> <li>- Senior leadership and project managers consult regularly with counterparts in other regional commissions</li> <li>- Communication mechanisms are in place with UNOG and DCM</li> <li>- Comprehensive framework to be designed and implemented at ECE level to track Member States' requests for technical cooperation</li> </ul>
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<b>7. Budget Allocation (1.1.4)</b>	<b>Risk category</b>	<b>Impact</b>	<b>Effectiveness of Internal Control on Impact</b>	<b>Likelihood</b>	<b>Effectiveness of Internal Control on Likelihood</b>	<b>Residual Risk</b>	<b>Risk Score</b>	<b>Risk Owner</b>
	<i>Strategic</i>	<i>3 – High</i>	<i>3 – Limited improvement needed</i>	<i>3 – Likely</i>	<i>3 – Limited improvement needed</i>	<i>Low</i> 	<i>1</i>	<i>Executive Secretary</i>

<b>Risk Definition</b>	<i>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.</i>
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<b>Key Drivers</b>	<b>Internal Controls</b>	<b>Risk Response</b>
<ul style="list-style-type: none"> <li>- Insufficient support from Member States leads to budget reductions voted by the General Assembly</li> <li>- Low implementation rates under RB entail budget reductions in the following year</li> <li>- Liquidity situation of the Organization prevents the issuance of full allotments</li> <li>- Freeze on recruitment has an impact on the planned deliverables and activities of the programme</li> <li>- Liquidity situation reduces meeting servicing capabilities and capacity to implement planned deliverables and activities</li> </ul>	<ul style="list-style-type: none"> <li>- EXCOM, Commission, sectoral Committees</li> <li>- Umoja: financial and performance monitoring systems</li> <li>- Proactive discussions with UNOG and DGACM to ensure that ECE intergovernmental meetings are adequately serviced</li> </ul>	<ul style="list-style-type: none"> <li>- <b>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</b></li> <li>- <b>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</b></li> <li>- <b>Alternate measures are identified, as necessary, to deploy ECE technical cooperation activities in a different format if travel is not possible</b></li> <li>- <b>Implementation of projects and programme of work are regularly monitored</b></li> <li>- <b>Senior managers review and prioritize activities and recruitment during budget constraints to ensure that key mandates are covered</b></li> </ul>

<b>8. Trust Funds Management (5.1.3)</b>	<b>Risk category</b>	<b>Impact</b>	<b>Effectiveness of Internal Control on Impact</b>	<b>Likelihood</b>	<b>Effectiveness of Internal Control on Likelihood</b>	<b>Residual Risk</b>	<b>Risk Score</b>	<b>Risk Owner</b>
	<i>Financial</i>	<i>4 – Significant</i>	<i>4 – Effective</i>	<i>3 – Likely</i>	<i>4 – Effective</i>	<i>Low</i> 	<i>1</i>	<i>Executive Secretary</i>

<b>Risk Definition</b>	<i>Inability to identify, establish and maintain the optimal structure and controls for trust funds resulting in loss or misuse of assets.</i>
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<b>Key Drivers</b>	<b>Internal Controls</b>	<b>Risk Response</b>
<ul style="list-style-type: none"> <li>- 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</li> <li>- Potential weaknesses in the establishment and maintenance of adequate controls on the use &amp; impact of funds, and to mitigate fiduciary or corruption risks, could expose the Organization to significant reputational issues</li> <li>- 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</li> </ul>	<ul style="list-style-type: none"> <li>- Umoja</li> <li>- Financial reporting on donor contributions</li> <li>- Project Monitoring Tool</li> <li>- EXCOM, Conventions and Governing bodies</li> <li>- Directive on the management of extrabudgetary funding</li> <li>- Grants Committee</li> <li>- Donor Agreements</li> <li>- Internal Audit</li> <li>- Evaluation Policy and Evaluation workplan approved by EXCOM</li> <li>- Risk Register &amp; Risk Treatment Plans</li> </ul>	<p><b>Extrabudgetary projects are approved in line with established framework</b></p> <ul style="list-style-type: none"> <li>- Technical Cooperation projects presented by the Secretariat are approved by EXCOM</li> <li>- Essential review and approval of projects relating to Conventions is first performed by the respective governing bodies</li> </ul> <p><b>Extrabudgetary projects are managed in line with established framework</b></p> <ul style="list-style-type: none"> <li>- Financial and performance monitoring and reporting as per donor agreements and UN financial rules and regulations</li> <li>- Annual reporting to the Grants Committee</li> </ul> <p><b>Accountability mechanisms are in place to inform member States, senior leadership, donors, and beneficiaries</b></p> <ul style="list-style-type: none"> <li>- Continuous self-evaluation, management response, and progress reports are available on ECE public website</li> <li>- Risk register and Risk Treatment Plans are monitored and adjusted as necessary.</li> <li>- The Project Monitoring Tool (PMT) is regularly updated to provide transparent information to Member States</li> </ul>



<b>9. Public Perception, Support and Reputation (1.4.1)</b>	<b>Risk category</b>	<b>Impact</b>	<b>Effectiveness of Internal Control on Impact</b>	<b>Likelihood</b>	<b>Internal Control Effectiveness</b>	<b>Residual Risk</b>	<b>Risk Score</b>	<b>Risk Owner</b>
	<i>Reputation</i>	<i>4 – Significant</i>	<i>3 – Limited improvement needed</i>	<i>3 – Likely</i>	<i>3 – Limited improvement needed</i>	Low 	<i>1</i>	<i>Executive Secretary</i>

<b>Risk Definition</b>	<i>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.</i>
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<b>Key Drivers</b>	<b>Internal Controls</b>	<b>Risk Response</b>
<ul style="list-style-type: none"> <li>- 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</li> <li>- 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</li> </ul>	<ul style="list-style-type: none"> <li>- Due diligence from Project Managers, Secretaries of intergovernmental bodies</li> <li>- ECE framework for engagement with the private sector</li> <li>- Global Compact</li> <li>- Active management of Memoranda of Understanding (MoU) and Partnerships</li> <li>- Evaluation Policy (ST/AI/2021/3) and ECE specific policy</li> <li>- Regular audit of ECE activities</li> <li>- Mandatory trainings</li> <li>- Protection against retaliation for reporting misconduct and for cooperating with duly authorized audits or investigations (ST/SGB/2017/2/Rev.1)</li> <li>- Risk Register &amp; Risk Treatment Plans</li> </ul>	<p><b>Continuous monitoring of the external stakeholders involved in ECE activities</b></p> <ul style="list-style-type: none"> <li>- 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</li> <li>- Protection is enhanced for individuals who report misconduct or cooperate with duly authorized audits or investigations</li> </ul> <p><b>Oversight mechanisms are in place</b></p> <ul style="list-style-type: none"> <li>- Prior to elaborating a new partnership, Directors present a strategic assessment of the proposal/potential partner. 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.</li> <li>- Evaluations are conducted in line with the Evaluation policy, management responses are signed by Directors, implementation of recommendations is tracked and reported to EXCOM</li> </ul>

		<ul style="list-style-type: none"><li>- OIOS performs regular audits of ECE activities, guided by the risk register</li><li>- Senior managers are accountable to implement recommendations in a timely manner</li><li>- Risk register and Risk Treatment Plans are monitored and adjusted as necessary</li></ul> <p><b>ECE Staff Members keep abreast of existing rules and regulations</b></p> <ul style="list-style-type: none"><li>- Mandatory trainings are completed by all staff</li><li>- Leadership dialogues are conducted within divisions and attended by all staff members</li><li>- Regular broadcasts by senior management recall the regulatory framework</li></ul>
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# 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 programme plan for 2023 ([A/77/6\(Sect.20\)](#)), approved by the GA with resolution A/RES/77/262, 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

1 STRATEGIC	2 GOVERNANCE	3 MANAGERIAL	4 OPERATIONS	5 FINANCIAL	7 FRAUD and CORRUPTION
<b>1.1 Planning</b>	<b>2.1 Governance</b>	<b>3.1 General Management</b>	<b>4.1 Support Services</b>	<b>5.1 Funding and Investments</b>	<b>7.1 Fraud Control Environment</b>
1.1.1 Vision and Mandate	2.1.1 Tone at the Top	3.1.1 Mgmt of Org. Transformation	4.1.1 Translation and Interpretation	5.1.1 Financial Contributions	7.1.1 Organizational Culture & Environmt
1.1.2 Strategic Planning	2.1.2 Control Environment/ Risk Mgmt	3.1.2 Leadership and Management	4.1.2 Procurement	5.1.2 Extra-budgetary Funding	7.1.2 ICT Governance & Cyber Security
1.1.3 Budgeting	2.1.3 Organizational Structure	3.1.3 Staff/Management Relations	4.1.3 Supplier Management	5.1.3 Truct Fund Management	7.1.3 Umoja System Control Environmt
1.1.4 Budget Allocation	2.1.4 Transparency		4.1.4 Asset and Inventory Management	5.1.4 Donor Fund Mgmt & Reporting	
1.1.5 Prog Performance Measurement	2.1.5 Accountability	<b>3.2 Programme Management</b>	4.1.5 Facilities and Real Estate Mgmt	5.1.5 Cash Management	<b>7.2 Programme Delivery</b>
1.1.6 Planning Execution & Integration	2.1.6 Empowerment	3.2.1 Advocacy	4.1.6 Capital Master Planning	5.1.6 Investments	7.2.1 Political Influence on Prog Reprting
1.1.7 HR Strategy and Planning		3.2.2 Outreach Activities	4.1.7 Business Continuity	5.1.7 Financial Markets	7.2.2 Implementing Partners
1.1.8 Organizational Synchronization	<b>2.2 Ethical behaviour</b>	3.2.3 Economic and Social Development	4.1.8 Commercial Activities	5.1.8 Insurance	7.2.3 Contingent-Owned Equipment
1.1.9 Outsourcing	2.2.1 Ethics	3.2.4 Research, Analysis and Advisory	4.1.9 Project Management		7.2.4 Theft: Fuel, Rations, Inventory
1.1.10 Org. Transf n. & Mgmt Reform	2.2.2 Sexual Exploitation and Abuse	3.2.5 Human Rights		<b>5.2 Accounting and Reporting</b>	
	2.2.3 Professional Conduct	3.2.6 Humanitarian Assistance	<b>4.2 Human Resources</b>	5.2.1 Financial Mgmt and Reporting	<b>7.3 Human Resources</b>
<b>1.2 Principal Organs, Partners</b>	2.2.4 Sexual Harasment	3.2.7 Disarmament	4.2.1 Resource Allocation & Availability	5.2.2 General Accounting	7.3.1 Educational/Professional Creds
1.2.1 GA and Member States		3.2.8 Combatting Terrorism	4.2.2 Recruiting, Hiring and Retention	5.2.3 Financial Controls	7.3.2 Recruitment
1.2.2 Partners and Donors	<b>2.3 Communications and PR</b>	3.2.9 Crime Prevention/Drug Control	4.2.3 Training and Development	5.2.4 Liability Management	7.3.3 Payroll: Attendance, Travel, Leave
1.2.3 Inter-Agency Coordination	2.3.1 Media Relations and PI	3.2.10 Policy Development	4.2.4 Performance Management	5.2.5 Staff Tax Reimbursements	7.3.4 Benefits and Allowances
	2.3.2 Crisis Communications	3.2.11 Inter-agency Programme Coop.	4.2.5 Succession Planning & Promotion		7.3.5 Medical Insurance
<b>1.3 Internal &amp; External Factors</b>	2.3.3 Internet, Soc Media, Radio, TV	3.2.12 Conference Management	4.2.6 Mobility		7.3.6 Giftc, Entertainment, Travel
1.3.1 Political Climate - External	2.3.4 Technology Communication		4.2.7 Compensation and Benefits	<b>6 COMPLIANCE</b>	7.3.7 Conflicts of Interest
1.3.2 Political Climate - Internal		<b>3.3 Mission activities</b>	4.2.8 Discipline and Conduct		<b>7.4 Central Services</b>
1.3.3 Economic Factors - Commodity		3.3.1 Peacekeeping/SPM Mandatec	4.2.9 Healthcare Management	<b>6.1 Legal</b>	7.4.1 Procurement
1.3.4 Unique Events (i.e. Pandemic)		3.3.2 Electoral Support	4.2.10 Occupational Safety and Health	6.1.1 Contract	7.4.2 False Statements & Laissez Passer
1.3.5 Climate Change		3.3.3 Rule of Law	4.2.11 Security	6.1.2 Intellectual Property	
		3.3.4 Mission Planning		6.1.3 Anti-Corruption	
<b>1.4 Reputation</b>		3.3.5 Mission Start-up	<b>4.3 Intellectual Property</b>	6.1.4 International Law	
1.4.1 Public Perception & Reputation		3.3.6 Mission Liquidation	4.3.1 Knowledge Management	6.1.5 Privacy	
1.4.2 Crisis & Contingency Mgmt		3.3.7 Logistics	4.3.2 Information and Document Mgmt		
		3.3.8 Air, Land and Sea Operations		<b>6.2 Regulatory</b>	
		3.3.9 Engineering	<b>4.4 Information Resources &amp; IT</b>	6.2.1 Internal Policies and Resolutions	
		3.3.10 Communications	4.4.1 IT Strategy	6.2.2 UN Labour Relations	
		3.3.11 Mission staffing	4.4.2 IT Security and Access	6.2.3 Host country regulations	
		3.3.12 Mission Creep	4.4.3 IT Availability and Continuity		
			4.4.4 IT Integrity		
		<b>3.4 International tribunals</b>	4.4.5 IT Infrastructure		
		3.4.1 Investigations and Prosecution			
		3.4.2 Trials and Appeals	<b>4.5 Environmental Sustainability</b>		
		3.4.3 Legal Aid	4.5.1 Environmental Management		
		3.4.4 Court Mgmt & Legal Support			
		3.4.5 Witness Protection			
		3.4.6 Detention Unit Management			
		3.4.7 Completion Strategy			
		3.4.8 Residual Capacity and Activities			

Annex III

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

Score	Rating	Description of impact						Recovery
		Safety and security	Duration	Organizational and operational scope	Reputational impact	Impact on operations	Financial impact (measured in terms of budget)	Required action to recover
5	Critical	Loss of life (staff, partners, general population)	Potentially irrecoverable impact	<b>Organization-wide:</b> inability to continue normal business operations across the Organization	Reports in key international media for more than one week	Inability to perform mission or operations for more than one month	>5 per cent >\$500 million	Requires significant attention and intervention from General Assembly and Member States
4	Significant	Loss of life due to accidents/ non-hostile activities	Recoverable in the long term (i.e., 24-36 months)	<b>Two (2) or more departments/offices or locations:</b> significant, ongoing interruptions to business operations within 2 or more departments/ offices or locations	Comments in international media/forum	Disruption in operations for one week or longer	3-5 per cent \$300 million-\$500 million	Requires attention from senior management
3	High	Injury to United Nations staff, partners and general population	Recoverable in the short term (i.e., 12-24 months)	<b>One (1) or more departments/offices or locations:</b> moderate impact within one or more departments/offices or locations	Several external comments within a country	Disruption in operations for less than one week	<2-3 per cent \$200 million-\$300 million	Requires intervention from middle management
2	Moderate	Loss of infrastructure, equipment, or other assets	Temporary (i.e., less than 12 months)	<b>One (1) department/office or location:</b> limited impact within department/office or location	Isolated external comments within a country	Moderate disruption to operations	<1-2 per cent \$100 million-\$200 million	Issues delegated to junior management and staff to resolve
1	Low	Damage to infrastructure, equipment, or other assets	Not applicable or limited impact				<1 per cent <\$100 million	Not applicable or limited impact

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

**Likelihood**

Score	Rating	Certainty	Frequency
5	Expected	>90 percent	At least yearly and/or multiple occurrences within the year
4	Highly likely	<90 per cent	Approximately every 1-3 years
3	Likely	<60 per cent	Approximately every 3-7 years
2	Unlikely	<30 per cent	Approximately every 7-10 years
1	Rare	<10 per cent	Every 10 years and beyond or rarely

**Internal Control / Management Effectiveness**

Score	Rating	Description
4	Effective	Controls are properly designed and operating as intended. Management activities are effective in managing and mitigating risks
3	Limited improvement needed	Controls and/or management activities are properly designed and operating somewhat effectively, with some opportunities for improvement identified
2	Significant improvement needed	Key controls and/or management activities in place, with significant opportunities for improvement identified
1	Moderately Ineffective	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
0	Highly ineffective	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