



ERM Enterprise
Risk Management

Risk Treatment and Response Plans

UNECE

October 2023

Overview

Background

- 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”.
- Furthermore, 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 Secretariat-wide Risk Treatment Plan document was endorsed and approved by the Management Committee, as ERM Committee for the entire Organization, on 14 April 2021.


The Risk Register and Risk Treatment and Response Plans

- As part of UNECE’s Accountability Framework, its Risk Register and Risk Treatment and Response Plans are endorsed by senior management and are publicly available on the UNECE website.
- UNECE latest Risk Register was finalized in October 2022; it is tailored at UNECE level and should be read in conjunction with the overarching Secretariat-wide Risk Register approved by the Management Committee on 15 July 2020.
- Since 2020, UNECE Risk Treatment and Response Plans are prepared alongside the revision of UNECE Risk Register, to determine the appropriate responses for each risk. Critical and significant risks are prioritised, with identified risk owners and time-bound treatment actions.

The way forward

- UNECE will continue to update its Risk Register and Risk Treatment and Response Plans altogether.
- 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 Treatment and Response Plans

1. Extrabudgetary Funding (5.1.2)	Risk category	Impact	Effectiveness of Internal Control on Impact	Likelihood	Effectiveness of Internal Control on Likelihood	Residual Risk	Risk Score	Risk Owner
	<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>

Risk Definition	<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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Treatment Plan	Working Group Members: PMU / Division Directors
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Risk Treatment Action	Due Date	Responsible Team
1. The Technical Cooperation report informs member States of ECE technical cooperation activities and main results achieved grouped by SDGs; it also provides comprehensive information on the extrabudgetary funding	<i>Annual</i>	PMU
2. 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	<i>Through year</i>	Division Directors and PMU
3. The Resource Mobilization Action Plans are realistic and updated by the Divisions in line with the Resource Mobilization Strategy	<i>Annual</i>	Division Directors
4. The Technical Cooperation Strategy and the internal directive on RPTC (Directive 22) are enforced.	<i>Through year</i>	PMU

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

Risk Definition	<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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Treatment Plan	Working Group Members: ES / Division Directors / CdC / IU / PMU
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Risk Treatment Action	Due Date	Responsible Team
1. 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.	<i>a. Through year</i>	a. ES, IU
2. Continuous dialogue with ECE member States - Adherence to the rules of procedures - The secretariat seeks consensus whenever possible - ECE technical cooperation projects are anchored in ECE mandates and demands from member States	<i>a. Through year</i>	a. ES, CdC, Division Directors
3. Accountability mechanisms are in place to inform member States, senior leadership, donors, and beneficiaries	<i>a. Through year</i>	a. Division Directors, PMU

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

Risk Definition	<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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Treatment Plan	Working Group Members: ES / Division Directors / OES / SDGU / PMU / EO
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Risk Treatment Action	Due Date	Responsible Team
<p>1. Strategic vision is reflected in corporate documents and supported by member States</p> <p>a. Proposed programme budget is prepared in consultation with ECE member States, supports change and responds to Member States reform proposals</p> <p>b. Active engagement of ECE Secretariat in advancing the implementation of the UNDS reform</p> <p>c. Strategic support and direction from EXCOM and Commission for roles and functions in the ECE region</p>	<p>a. February</p> <p>b. Through year</p> <p>c. April 2023</p>	<p>a. ES</p> <p>b. ES, SDGU</p> <p>c. OES</p>
<p>2. ECE senior management supports and implements programme objectives</p> <p>a. All staff performance documents are aligned to the subprogrammes of work contained in the approved Programme Budget</p> <p>b. PMU monitors regularly the implementation of the Programme of Work of the subprogrammes; Directors take corrective actions as necessary</p>	<p>a. February 2023</p> <p>b. Through year</p>	<p>a. Division Directors</p> <p>b. Division Directors, PMU</p>
<p>3. Harmonised UN Secretariat internal directions for implementation of new policies</p> <p>a. IPMR is fully rolled out, with legacy projects enriched and new projects entered directly in the system</p> <p>b. Umoja mandatory trainings are completed by all staff</p> <p>c. FWA are formalised, monitored and adjusted as necessary</p> <p>d. Knowledge management systems are enhanced and opportunities for learning are sought</p>	<p>a. December 2022</p> <p>b. Through year</p> <p>c. Through year</p> <p>d. Through year</p>	<p>a. Division Directors</p> <p>b. Division Directors</p> <p>c. EO, Directors</p> <p>d. OES, EO</p>


4. Accountability (2.1.5)	Risk category	Impact	Effectiveness of Internal Control on Impact	Likelihood	Effectiveness of Internal Control on Likelihood	Residual Risk	Risk Score	Risk Owner
	<i>Governance</i>	<i>3 – High</i>	<i>2 – Significant improvement needed</i>	<i>4 – Highly likely</i>	<i>2 – Significant improvement needed</i>	Medium 	2	<i>Executive Secretary</i>

Risk Definition	<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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Treatment Plan	Working Group Members: Division Directors / EO / PMU
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Risk Treatment Action	Due Date	Responsible Team
<p>1. The Accountability Framework and the Delegation of Authority clarify roles and responsibilities</p> <p>a. The Accountability Framework is updated as necessary</p> <p>b. The Delegation of Authority is fully implemented: certifying, authorizing and approving officers ensure full compliance with UN Financial Regulations and Rules</p> <p>c. HR officer ensures full compliance with UN HR policies</p>	<p>a. Through year</p> <p>b. Through year</p> <p>c. Through year</p>	<p>a. PMU</p> <p>b. Division Directors, EO</p> <p>c. Division Directors, EO</p>
<p>2. The Senior Manager Compact summarizes the key commitments of the organization</p> <p>a. The Compact is prepared in collaboration with the Directors</p> <p>b. HR and finance objectives and targets contained in the Senior Manager Compact are met.</p> <p>c. Senior Manager Compact is monitored and reported, per EOSG established deadlines</p>	<p>a. February</p> <p>b. Through year</p> <p>c. March</p>	<p>a. Division Directors, PMU</p> <p>b. Division Directors, EO</p> <p>c. PMU</p>
<p>3. A critical linkage is maintained between institutional and individual accountability through the Executive Secretary’s Compact and e-Performance of managers and staff.</p> <p>a. Objectives defined in the ES Compact cascade in directors and staff performance documents</p> <p>b. The performance of all staff is assessed annually in a fair and consistent manner in line with the OHR guidance</p> <p>c. Performance documents implementation is monitored and reported annually</p> <p>d. Mandatory trainings on project management for UNECE staff in charge of projects</p> <p>e. Staff performance is monitored and addressed regularly, not limited to the formalized performance documents system</p> <p>f. Staff concerns are effectively addressed by managers during discussions</p>	<p>a. April</p> <p>b. April</p> <p>c. April</p> <p>d. Through year</p> <p>e. Through year</p> <p>f. Through year</p>	<p>a. Division Directors</p> <p>b. Division Directors</p> <p>c. Division Directors, EO</p> <p>d. Division Directors</p> <p>e. Division Directors</p> <p>f. Division Directors</p>


4. Proposed programme budget reports on the implementation of results agreed on previous period.	<i>Annual</i>	Division Directors, PMU
5. Risk Register and Risk Treatment Plan are monitored and adjusted as necessary a. Mandatory risk management training for all senior managers b. Proactive mitigation of risks outlined in the Risk Register	<i>a. Through year</i> <i>b. Through year</i>	a. Division Directors b. Division Directors, EO, PMU

5. IT Strategy and Systems Implementation (4.4.1)	Risk category	Impact	Effectiveness of Internal Control on Impact	Likelihood	Effectiveness of Internal Control on Likelihood	Residual Risk	Risk Score	Risk Owner
	<i>Operations</i>	<i>3 – High</i>	<i>2 – Significant improvement needed</i>	<i>4 – Highly likely</i>	<i>3 – Significant improvement needed</i>	Medium 	2	<i>Director PMSSD</i>

Risk Definition	<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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Treatment Plan	Working Group Members: PMSSD
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Risk Treatment Action	Due Date	Responsible Teams
1. 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.	<i>September 2023</i>	PMSSD-ISU
2. Continue discussions with senior management to align ICT strategies with the overall strategy and operating objectives of the Organization	<i>December 2023</i>	PMSSD-ISU
3. 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	<i>August 2023</i>	PMSSD-ISU
4. - Ensure the immediate cybersecurity patches required for the UNLOCODE and establish a subsequent medium to long term plan to support a more comprehensive upgrade as required by member States	<i>December 2023</i>	Trade Division and PMSSD-ISU
5. Review the existing ICT Service level agreement with UNOG to ensure a secure and adequate infrastructure	<i>September 2023</i>	PMSSD-ISU
6. Ensure IT components of XB and UNDA projects are sufficiently resource	<i>Through year</i>	PMSSD-EO and ISU
7. 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	<i>June 2023</i>	PMSSD-ISU
8. Design an asset management system to reinforce the application of ECE Directive 21 on ECE Management of ICT Assets and Equipment	<i>January 2023</i>	PMSSD-ISU
9. Design an ECE information management framework , including policies, to retain knowledge and records	<i>December 2023</i>	PMSSD and IU

6. Organizational Structure (2.1.3)	Risk category	Impact	Effectiveness of Internal Control on Impact	Likelihood	Effectiveness of Internal Control on Likelihood	Residual Risk	Risk Score	Risk Owner
	<i>Governance</i>	<i>3 – High</i>	<i>2 – Significant improvement needed</i>	<i>3 – Likely</i>	<i>3 – Significant improvement needed</i>	Low 	<i>1</i>	<i>Executive Secretary</i>

Risk Definition	<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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Treatment Plan	Working Group Members: ES / Division Directors / OES / SDGU / PMU
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Risk Treatment Action	Due Date	Responsible Teams
<p>1. Synergy & coherence established between policy & operational work at all levels</p> <p>a. Workplans and strategy of the organization are streamlined and aligned to the Programme Plan.</p> <p>b. Performance documents of all staff are aligned to the subprogrammes of work contained in the approved Programme Budget</p> <p>c. Cross sectorial approaches are consistently referred to in strategic documents and programme-wide results are strengthened</p> <p>d. Options are sought to facilitate swapping of staff at the same level between divisions</p> <p>e. The work of the Regional Advisers at the country level is framed by the National Action Plans, approved by the Deputy Executive Secretary.</p>	<p>a. April 2023</p> <p>b. April 2023</p> <p>c. Through year</p> <p>d. Through year</p> <p>e. Annual</p>	<p>a. Division Directors</p> <p>b. Division Directors</p> <p>c. PMU, OES</p> <p>d. PMSSD</p> <p>e. DES, PMSSD-PMU</p>
<p>2. Senior Management commits to achieving programme objectives and delivering the expected results contained in the Senior Manager’s Compact with the Secretary General</p> <p>a. The Senior Manager’s Compact is prepared in consultation with Directors</p> <p>b. Strategic objectives of the organization are clearly communicated to senior management, and all staff on regular occasions</p>	<p>a. February 2023</p> <p>b. Through year</p>	<p>a. PMU</p> <p>b. ES, Division Directors</p>
<p>3. Regular communication mechanisms are in place with key partners</p> <p>a. Communication mechanisms are in place with DCO and UNSDG</p> <p>b. Regular consultation with other regional commissions at all levels</p> <p>c. Regular discussions with UNOG and DCM to ensure delivery of the Programme of Work</p> <p>d. Comprehensive framework to be (i) designed at ECE level and (ii) implemented by Divisions to track Member States’ requests for technical cooperation</p>	<p>a. Through year</p> <p>b. Through year</p> <p>c. Through year</p> <p>d. Through year</p> <p>e. December 2023 (i) and December 2024 (ii)</p>	<p>a. ES</p> <p>b. ES, SDGU</p> <p>c. ES, PMU, SDGU</p> <p>d. OES</p> <p>e. PMSSD (i), Division Directors (ii)</p>

7. Budget Allocation (1.1.4)	Risk category	Impact	Effectiveness of Internal Control on Impact	Likelihood	Effectiveness of Internal Control on Likelihood	Residual Risk	Risk Score	Risk Owner
	<i>Strategic</i>	<i>3 – High</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>

Risk Definition	<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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Treatment Plan	Working Group Members: Division Directors / EO / PMU / OES / SDGU
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Risk Treatment Action	Due Date	Responsible Team
1. 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, in particular through the timely provision of high-quality formal and informal documents.	<i>Through year</i>	Division Directors, OES, SDGU
2. Implementation of projects and programme of work are regularly monitored a. Expenditures of XB, UNDA and RPTC are regularly monitored, and corrective actions are taken as necessary b. PPME focal points ensure regular reporting of mandated deliverables in their division c. PMU monitors regularly the implementation of the Programme of Work of the subprogrammes; Directors take corrective actions as necessary	<i>a. Through year b. Through year c. Through year</i>	a. Division Directors, Project Managers, EO b. Division Directors c. Division Directors, PMU
3. Activities and recruitments are prioritized during budgetary constraints a. Directors identify priorities in their divisions 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. c. Alternate measures are identified, as necessary, to deploy ECE technical cooperation activities in a different format if travel is not possible d. Staffing table is flexibly managed to cover for vacancies in priority areas. e. Recruitments are anticipated, and during freeze period, selections conducted until final stage, pending approval from the Controller	<i>a. Through year b. Through year c. Through year d. Through year e. Through year</i>	a. Division Directors b. Division Directors, SDGU c. Division Directors, Regional Advisers d. Division Directors, EO e. Division Directors, EO

8. Trust Funds Management (5.1.3)	Risk category	Impact	Effectiveness of Internal Control on Impact	Likelihood	Effectiveness of Internal Control on Likelihood	Residual Risk	Risk Score	Risk Owner
	<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>

Risk Definition	<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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Treatment Plan	Working Group Members: Division Directors / Secretaries of the Conventions / EO / PMU
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Risk Treatment Action	Due Date	Responsible Team
1. Extrabudgetary projects are approved in line with established framework a. Technical Cooperation projects presented by the Secretariat are approved by EXCOM b. Essential review and approval of projects relating to Conventions is first performed by the respective governing bodies	a. <i>Through year</i> b. <i>Through year</i>	a. Division Directors b. Secretaries of the Conventions
2. Extrabudgetary projects are managed in line with established framework a. Financial and performance monitoring and reporting as per donor agreements and UN financial rules and regulations b. Annual reporting of the Grants Committee	a. <i>Through year</i> b. <i>Annual</i>	a. Division Directors b. EO
3. Accountability mechanisms are in place to inform member States, senior leadership, donors, and beneficiaries a. Continuous self-evaluation, management response, and progress reports are available on ECE public website b. Risk Register and Risk Treatment Plans are monitored and adjusted as necessary c. The Project Monitoring Tool (PMT) is regularly updated to provide transparent information to Member States	a. <i>Through year</i> b. <i>Through year</i> c. <i>Through year</i>	a. PMU, Directors b. PMU c. PMU and Divisions

9. Public Perception, Support and Reputation (1.4.1)	Risk category	Impact	Effectiveness of Internal Control on Impact	Likelihood	Effectiveness of Internal Control on Likelihood	Residual Risk	Risk Score	Risk Owner
	<i>Reputation</i>	<i>4 – Significant</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>

Risk Definition	<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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Treatment Plan	Working Group Members: Division Directors / Secretaries of the Conventions / EO / PMU
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Risk Treatment Action	Due Date	Responsible Team
<p>1. Continuous monitoring of the external stakeholders involved in ECE activities</p> <p>a. 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</p> <p>b. Protection is enhanced for individuals who report misconduct or cooperate with duly authorized audits or investigations</p>	<p>a. <i>Through year</i></p> <p>b. <i>Through year</i></p>	<p>a. Directors, Secretaries, Project Managers</p> <p>b. ES, EO</p>
<p>2. Oversight mechanisms are in place</p> <p>a. 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.</p> <p>b. Evaluations are conducted in line with the Evaluation policy, management responses are signed by directors, implementation of recommendations is tracked and reported to EXCOM</p> <p>c. OIOS performs regular audits of ECE activities, guided by the risk register</p> <p>d. Senior managers are accountable to implement recommendations in a timely manner</p> <p>e. Risk Register and Risk Treatment Plans are monitored and adjusted as necessary</p>	<p>a. <i>Through year</i></p> <p>b. <i>Through year</i></p> <p>c. <i>Through year</i></p> <p>d. <i>Through year</i></p> <p>e. <i>Through year</i></p>	<p>a. Division Directors, OES</p> <p>b. Division Directors, PMU</p> <p>c. ES, PMU</p> <p>d. Division Directors</p> <p>e. PMU</p>
<p>3. ECE Staff Members keep abreast of existing rules and regulations</p> <p>a. Mandatory trainings are completed by all Staff</p> <p>b. Leadership dialogues are conducted within divisions and attended by all staff members</p> <p>c. Regular broadcasts remind the regulatory framework</p>	<p>a. <i>Through year</i></p> <p>b. <i>Annual</i></p> <p>c. <i>Through year</i></p>	<p>a. All staff, Division Directors</p> <p>b. All staff, Division Directors</p> <p>c. ES, EO</p>