

## Risk Assessment of : UNON

1	Focus Area:	Strategic Management and Governance		Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
I	<b>Strategic Planning and Monitoring</b>			Likely	High	Higher Risk
	<p>A(i). Political instability in Kenya where UNON operates, could impact on effectiveness of its operations.</p> <p>A(ii). 50 percent of UNON funding comes from RB and 50 percent from XB. Having direct control of only 50 percent of its budget makes it difficult for UNON to undertake effective strategic planning.</p> <p>A(iii). Lack of strategic planning and coordination between DM and UNON may result in the critical issues pertaining to Nairobi not being adequately addressed.</p> <p>A (iv). The UN has been maintaining a zero growth budget even though activities have been increasing at the duty station. Problems may arise from different mandates given by the General Assembly. Not all mandates given by the General Assembly are supported by the necessary financial resources.</p> <p>A(v). Gaps may exist between the objectives outlined in the Strategic Framework and the actual work plan of the organization because Strategic Framework objectives are often quantitative, unrealistic, and do not measure impact.</p>	<p>UNON undertakes contingency planning to minimize the impact on its operations from political instability.</p> <p>GA has committed to increasing the percentage of RB.</p>	Strategy	Likely	High	Higher Risk

1	Focus Area: Strategic Management and Governance		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>B(i). Lack of a clear reporting lines and independence may affect the ability of UNON to deliver services equitably. UNON has dual reporting line to Department of Management and DG. Ability to deliver services equitably may be affected because the Director General (DG) UNON is also the head of one of its major clients.</p> <p>B(ii). Delegated Authority / roles and responsibilities for provision of services to UNEP and UN-HABITAT may not be clear casting doubts on who should be held accountable when services are not delivered in a timely fashion and do not meet expectations.</p> <p>B(iii). Accountability for delivery of common services may not be clear making it difficult to ensure that services match client expectations.</p>	<p>UNON is working on a new ST/SGB for its organizational structure.</p> <p>Common Services Governance structure established.</p>	Governance	Possible	High	Higher Risk
	<p>E(i) Lack of planning from UNON clients may impact adversely the quality of services delivered by UNON.</p> <p>E(ii) Insufficient and irregular monitoring of the performance of the Service Level Agreement (SLA) with clients may result in under-delivery and clients' dissatisfaction with UNON</p>	UNON is working on a new ST/SGB for its organisational structure, which should clarify roles and responsibilities	Operational	Possible	Medium	Moderate Risk
	G(i) UNON may lack the systems to provide timely and accurate management information to clients.	There is a local ICT Committee to discuss common ICT needs. Capability to deliver is dependant on receipt of adequate funding from New York/ Clients and a clear definition of the needs by the client.	Information Resources	Likely	High	Higher Risk

1	Focus Area: Strategic Management and Governance		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
II	<b>Mandate and Mission</b>			Likely	High	Higher Risk
	<p>B(i). There may be an expectation gap between what UNON does deliver and what its clients expect arising from a number of factors which could result in poor service delivery to its clients.</p> <p>B(ii). There is no transparent mechanism at UNON to inform and involve clients, which results in loss of trust by clients and its reputation.</p> <p>B(iii). Lack of understanding of Service Level Agreements (SLA) and inability may result in confusion and in UNON not being able to provide needed services.</p> <p>B(iv) Unwillingness of clients to adequately express their needs may result in ineffective and inefficient operations.</p> <p>B(v). Lack of coherence and coordination in the activities of the various UN entities and specialized agencies located in Nairobi may result in duplication of efforts, waste of resources and UNON not being able to achieve its mission and goals.</p>	<p>A number of consultancies and retreats have been held to discuss how UNON could be better aligned to meet the needs of its clients and to clarify what its mandate covers.</p> <p>Being the representative of the Secretary General (SG) in Nairobi, the Director General (DG) is responsible for coordinating UN activities with the other UN entities in Nairobi. The DG holds regular meetings with the various ambassadors and the heads of other UN entities and discusses system-wide coherence issues.</p> <p>The DG of UNON is the senior representative of the SG in Nairobi. In that capacity, she maintains regular contact with the Permanent Representative of the Member States attached to UNON.</p>	Governance	Likely	High	Higher Risk
	D(i). Lack of core funding may prevent Office of DG UNON (ODG) from fully carrying out its mandate.		Financial	Possible	High	Higher Risk

1	Focus Area: Strategic Management and Governance		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
III	<b>Organizational structure and functions</b>			Likely	High	Higher Risk
	<p>B(i). A conflict of interest may occur and may lead to perception of lack of equity and result in delays and in missing growth opportunities when DG UNON is also the head of one of the major clients.</p> <p>B(ii). Roles and responsibilities between UNON and UNEP are unclear and may result in lack of accountability and gaps in service delivery.</p> <p>B(iii). Arrangements for acting DG when DG is absent from headquarters may result in frequent handovers which could impact on operational continuity.</p> <p>B(iv). The nature and extent of reporting relationships and accountability between UNON, UN-Habitat and UNEP are not clearly defined creating confusion and potential inefficiencies.</p>	<p>UNON has dual reporting lines to DM.</p> <p>A new organizational structure is under consideration.</p>	Governance	Possible	High	Higher Risk
	<p>E(i). Limited local legal resources may slow UNON's responsiveness to clients on legal issues.</p> <p>E(ii). Insufficient liaison between UNON and its clients, especially at the mid-management level, may prevent UNON from effectively delivering its services.</p>	A legal position has been established in Office of DG UNON and UNEP and UN-HABITAT have enhanced legal capability.	Operational	Possible	Medium	Moderate Risk
	F(i). UNON may not employ staff at the appropriate grade and skills level to cope with specialist nature and range of services it is required to deliver.	OIOS raised this issue in its recent report on procurement and UNON is discussing the issue with New York.	Human Resources	Likely	High	Higher Risk

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IV	<b>Control Environment</b>			Likely	Medium	Higher Risk
	<p>B(i). Lack of a risk assessment framework may prevent management from prioritizing their action to tackle most critical issues first.</p> <p>B(ii). Unclear framework of delegation of authority could hinder accountability by UNON staff.</p>	UN has embarked on an ERM process, which will include UNON.	Governance	Possible	High	Higher Risk
	<p>C(i). Inadequate arrangements for monitoring compliance with rules and regulations may result in lack of compliance with UN policies and procedures.</p> <p>C(ii). UNON's main clients have the majority of their staff operating outside Nairobi and in some areas such as finance the organizations have exemptions from UN regulations and rules and operate under their own rules. This situations increases the risk of many different interpretations of UN rules and regulations which may result in inconsistent actions.</p>		Compliance	Likely	Medium	Higher Risk
	F(i). Inadequate arrangements for ensuring that UNON and client staff are trained in the rules and understand their roles and responsibilities, as well as organizational cultural dimension, values and ethics, which may expose UNON and the major clients to financial and reputation risks.	UNON has a training unit.	Human Resources	Likely	Medium	Higher Risk

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V	<b>Host Country</b>			Remote	High	Moderate Risk
	A(i). Lack of cooperation from Host Country in the administrative or political field may prevent UNON from carrying on its activities in the country.	Kenya is cooperating with UNON.	Strategy	Remote	High	Moderate Risk
	C(i). Abuse of diplomatic privileges by staff members may lead to embarrassment and lack of cooperation by the Host Country.		Compliance	Remote	High	Moderate Risk
VI	<b>Legal advice</b>			Likely	Medium	Higher Risk
	A(i). Lack of uniformity and coordination in legal positions taken by UNON, UNEP and UN-Habitat on similar issues may result in political embarrassment and legal exposure.  A(ii). Lack of mechanism to enforce adherence to legal advice may expose the UN to political embarrassment and legal exposure.	Adherence not mandatory.	Strategy	Likely	Medium	Higher Risk
	E(i). Lack of standardization and understanding of purpose of legal instruments by UNON staff (MOU, LOI, CA, etc.) may result in legal and reputation exposure.  E(ii). Lack of adequate platform for knowledge sharing within the UN legal community may result in duplication of effort or loss of synergies and standardization of practices.		Operational	Likely	Medium	Higher Risk

## Risk Assessment of : UNON

2	Focus Area:	Financial Management		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
I	<b>Funding</b>			Possible	High	Higher Risk
	<p>E(i). UNEP and UN-Habitat have different funding structures which could create additional complexity and constraints to the financial and operational management of UNON.</p> <p>E(ii). Operational effectiveness may be impaired because UNON is dependant for 50 percent of its funding from its major clients.</p> <p>E(iii). Limited provision for some services in client budgets, especially ICT, may impair the quality of service UNON is able to offer.</p>	There is a structure in place for discussing and establishing common service budgets.	Operational	Possible	High	Higher Risk

2	Focus Area: <b>Financial Management</b>			Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>D(i). UNON is unable to obtain sufficient RB to cover all operational costs, which could impair delivery of its programme of work.</p> <p>D(ii). Lack of contingency fund may prevent the ability of ODG to react effectively to emerging legal issues affecting the reputation of the organization.</p> <p>D(iii). UNON may be unable to obtain sufficient funds to cover shortfalls arising because of depreciation of the dollar.</p> <p>D(iv). UNON may be unable to collect funds from clients for services that UNON have paid in advance, such as overhead.</p> <p>D(v). UNON may not receive all the XB funds approved in its budget resulting in an inability to recruit all the staff approved against the budget, which may adversely affect delivery of UNON's programme of work.</p> <p>D(vi). Depreciation of the dollar against currencies UNON is paying may result in reduction of level of services UNON is able to provide.</p>	<p>GA has committed to increasing the percentage of UNON RB funding, which is currently around 50 percent.</p> <p>UNON can seek a supplementary budget to try to cover some of RB shortfall.</p> <p>Procedures for the authorization of allotments and staffing table are well established and in place.</p>	Financial	Possible	High	<b>Higher Risk</b>



2	Focus Area: <b>Financial Management</b>			Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>D(vii). Existing gap between salary level of international and local staff may have a negative impact on workers attitude towards work.</p> <p>D(viii). A major change in the salary levels in the local labour market may result in a loss of staff at UNON and/or significantly increase UNON staff costs.</p> <p>D(ix). Wrong cost management of services rendered by UNON could lead to wrong billing and loss of funds to the UN.</p>	<p>The local levels are periodically monitored. Revisions to the local GS salary levels are made according to the prevailing market rates. Adjustments are made to the existing salary levels.</p> <p>Salary levels are regularly surveyed.</p> <p>The Budget Section coordinates and checks the rates of administrative service costs before bills are sent to creditors.</p>	Financial	Possible	High	Higher Risk
	F(i).UNON may not have adequate training arrangements in place to ensure that its financial staff are aware of and are able to handle all the nuances of the clients financial arrangements, some of whom have their own financial rules.	UNON has a training unit allocated for RB staff, which constitutes 30% of total employees requiring training. NY does occasionally provide supplemental training. BFMS has conducted financial (BFMS) training.	Human Resources	Possible	Medium	Moderate Risk

2	Focus Area: <b>Financial Management</b>			Possible	Medium	Moderate Risk
No	<b>Interview/Review Summary (Description of risk)</b>	<b>OIOS Assessment</b>	<b>Risk Category</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Overall Risk</b>
II	<b>Accounting and financial reporting</b>			Possible	Medium	Moderate Risk
	<p>C(i). The geographical dispersion of offices and limited oversight mechanism may make it difficult to ensure the accuracy and completeness of financial records.</p> <p>C(ii). High degree of variations of reporting requirements to UNHQ and UNON clients may make it difficult to ensure that financial records are being kept in accordance with client requirements.</p>	<p>IMIS has been rolled out to most major offices and UNON undertakes regular reconciliation of financial data submitted.</p>	Compliance	Likely	Medium	Higher Risk

2	Focus Area: <b>Financial Management</b>			Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>D(i). Official currency of the budget is in US dollars, and depreciation of US dollar currency over other currencies used for operational expenditures may result in a financial loss for UNON and some of its clients in absence of any mechanisms for obtaining supplementary funding.</p> <p>D(ii). Delay in account reconciliations could cause errors in financial reporting.</p> <p>D(iii). Lack of awareness and budgetary/accounting knowledge may lead certifying officers to certify transactions against incorrect codes or financial period.</p> <p>D(iv). Lack of adequate follow-up on long outstanding receivables may render them uncollectible and may cause loss of financial resources to the UN.</p> <p>D(v). Failure to report to BFMS receipt of contributions in kind may render the financial statements inaccurate.</p>	<p>UNON has mechanism to seek supplementary funding to cover for shortfalls in RB budget.</p> <p>BFMS is responsible for the reconciliations. There is not much of a delay and there is effective coordination with the bank.</p> <p>BFMS conducts repeated reviews of account charges before finalizing financial reports.</p> <p>BFMS coordinates with substantive offices and sends regular reminders for outstanding receivables. Uncollectible receivables are required to be reported to the UN Controller for write off.</p> <p>BFMS has mechanisms in place to remind outposted offices to channel contributions in kind to officials who have UN Controller's authority to accept contributions to ensure compliance with UN Regulations and Rules.</p>	Financial	Possible	Medium	<b>Moderate Risk</b>
	G(i) Delays and insufficient information on ERP rollout may affect UNON preparedness for IPSAS implementation	UNON has regular dialogue with UNHQ to obtain information	Information Resources	Possible	Medium	<b>Moderate Risk</b>

2	Focus Area: <b>Financial Management</b>			<b>Possible</b>	<b>Medium</b>	<b>Moderate Risk</b>
<b>No</b>	<b>Interview/Review Summary (Description of risk)</b>	<b>OIOS Assessment</b>	<b>Risk Category</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Overall Risk</b>
<b>III</b>	<b>Payments</b>			<b>Possible</b>	<b>Medium</b>	<b>Moderate Risk</b>
	<p>C(i). Significant backlog in processing payments to suppliers may create opportunities for fraud and increase the reputational risk for UNON.</p> <p>C(ii). Personnel could approve payments that are above their authority, which could result in unauthorised and erroneous payments being made.</p>	<p>UNON is putting systems in IMIS to ensure vendors are paid within 30 Days.</p>	Compliance	Possible	Medium	<b>Moderate Risk</b>
	<p>D (i) Humans errors in processing of benefits, reimbursements and invoices for the purchase of goods and services could result in incorrect payments.</p> <p>D (ii) Failure of substantive offices to provide accurate information on a timely basis could result in delayed processing of payments and incomplete financial statements.</p>	<p>Certification, approval and liquidation processes within IMIS mitigate the risk of incorrect payments.</p> <p>IMIS is being implemented in major outposted offices to enable on-line entry of information and quarterly reconciliation of the data is being introduced.</p>	Financial	Possible	Medium	<b>Moderate Risk</b>

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No	<b>Interview/Review Summary (Description of risk)</b>	<b>OIOS Assessment</b>	<b>Risk Category</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Overall Risk</b>
IV	<b>Treasury</b>		Possible	Medium	Moderate Risk	
	A (i) Mechanism to allocate investment income to different contributors to the investment cash pool is inadequate, which could result in inadequate cash flow planning.  A(ii). Income may not be maximized due to inadequate cash flow planning.	Cash surplus is invested by DM based on UN wide practices and policies.	Strategy	Likely	Medium	Higher Risk
	C(i). Practice of hand-carried DSA cash may increase risk for fraud and for staff safety.	UNON ensures that guidelines on hand carried DSA are followed.	Compliance	Possible	Low	Lower Risk

2	Focus Area: <b>Financial Management</b>			Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>D(i). Incorrect information relating to disbursements may result in payment being made to wrong person or vendors</p> <p>D(ii). Loss or misappropriation of funds may arise from Bank signatories who do not fully understand their responsibilities under the UN Financial rules and Regulations or intentionally misuse their authority.</p> <p>D(iii). Contributions may not be properly identified and coded leading to wrong financial reports and delay in the release of funds to start projects or activities.</p> <p>D(iv). Bank reconciliation may not be performed in a complete, accurate and timely manner which may lead to expenditure not fully accounted for.</p> <p>D(v). Receipt may not be issued when cash contribution are received resulting in losses.</p>	<p>Disbursements are made on the basis of automated system and controls exist in the form of multiple signatories for issuing cheques. Cash payment is an exception in UNON, which limits the chances of irrecoverable payments.</p> <p>The selection of banking signatories is a strict process in which credible and qualified officials are authorised. Abuse would require collusion.</p> <p>Coordination is regularly made with substantive programmes to ensure correct identification of contributions received.</p> <p>Procedures exists for ensuring timely accurate and complete processing of monthly bank reconciliations.</p> <p>BFMS has changed the procedures to issue receipt when monies are banked.</p>	Financial	Possible	Medium	<b>Moderate Risk</b>

2	Focus Area: <b>Financial Management</b>		Possible	Medium	Moderate Risk	
No	<b>Interview/Review Summary (Description of risk)</b>	<b>OIOS Assessment</b>	<b>Risk Category</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Overall Risk</b>
	<p>E(i). Safeguarding of cheques may be inadequate resulting in thefts and losses to UNON.</p> <p>E(ii). Inadequate controls over release and usage of credit cards may lead to abuse and unrecorded expenditure.</p> <p>E(iii). Separated employees may still have bank signing authority due to lack of controls.</p>	UNON has suspended the use of corporate credit cards.	Operational	Possible	Medium	<b>Moderate Risk</b>
	F(i). The limited number of Treasury staff could cause a lack of segregation of duties between treasury and investments.		Human Resources	Possible	Medium	<b>Moderate Risk</b>

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No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
V	<b>Receivables / Payables</b>		Possible	Medium	Moderate Risk	
	<p>D(i). Inadequate arrangements for staff separations may result in financial losses because staff recoveries are not made.</p> <p>D(ii). Inadequate supervision of travel advances to consultants processed by substantive offices may result in overpayments and difficult recovery because UN rules are not implemented correctly, by accident or design.</p> <p>D(iii). UN clients of UNON may be slow to pay or not pay at all for service received which may lead to outstanding invoices that could be difficult for UNON to recover because of inadequate recovery mechanisms.</p>	UNON has a receivables unit.	Financial	Possible	Medium	Moderate Risk
	E(i) Difficulty in obtaining information to establish bases for service charge for clients may result in UNON under/over charging clients		Operational	Possible	Medium	Moderate Risk
VI	<b>Trust funds</b>			Likely	Medium	Higher Risk
	E(i). Unclear roles and responsibilities for fund management during the transition period of the migration of fund management from UNON to UNEP may result in loss of data that could impair work continuity.		Operational	Likely	Medium	Higher Risk



2	Focus Area: <b>Financial Management</b>			Possible	Medium	Moderate Risk
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<b>VII</b>	<b>Payroll</b>			Possible	Medium	Moderate Risk
	<p>D(i). Failure or inordinate delay by the responsible officials of the various of departments to notify payroll about staff changes may result in inappropriate salary payments to staff members.</p> <p>D(ii). Failure of key member states to timely pay their contributions or of UN Headquarters to transfer adequate funds on a timely basis could result in the late payment of salaries.</p>	<p>The cash requirements forecasts are done on a regular and timely basis. UN Controller's office is notified well in advance. There are mechanisms in place to ensure the transfer of funds to meet the payroll deadlines.</p>	Financial	Possible	Medium	Moderate Risk
<b>VIII</b>	<b>Commercial operations</b>			Possible	Medium	Moderate Risk
	B(i) New governance structure over operations of the Commercial operations Unit (COU) to be implemented early 2008 may result in slow decision-making and approving process and potential conflict of interest		Governance	Possible	Medium	Moderate Risk
	<p>D(i) Lack of timely collection and accurate computation of commission earned by UNON Commercial Ooperation Unit (COU) may result in underpayment to UNON.</p> <p>D(ii) The recent duty levy practice imposed by the Government of Kenya (GOK) (since 2006 GOK levies duties on fuel upon import which UN can claim reimbursement) may result in slow reimbursement by the GoK of large sums of paid VAT and strain COU cash flow and reduce its capacity to improve client services.</p>	<p>COU relies on third party computation which are performed daily.</p> <p>UN is working with Host Country to get a more expedite reimbursement procedure.</p>	Financial	Possible	Medium	Moderate Risk

## Risk Assessment of : UNON

Focus Area:	<b>Human Resource Management</b>		Possible	High	Higher Risk
Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
<b>Recruitment</b>			Possible	High	Higher Risk
<p>E(i). Hardship nature of the duty station may make it difficult to attract international staff impairing operational effectiveness.</p> <p>E(ii). Access to qualified resource in the local labour market may be constrained by quota system and by increased competition from the private sector to attract local talent and limited flexibility of pay structure.</p> <p>E(iii). Extensive recruiting time period is not sufficiently responsive to the staffing needs of the organization and may result in extended post vacancies and inability to capture talent in the marketplace.</p> <p>E(iv). Lack of background checks for security officer may expose the organization to risk of hiring wrong staff.</p> <p>E(v). Limited qualified staff available for language services may result in inability to adequately service conferences.</p>	<p>Local salary survey are undertaken to ensure competitiveness.</p> <p>UNON undertakes recruitment in accordance with UN rules.</p> <p>UNON is in the process of implementing an OIOS recommendation to address the issue of background checks.</p> <p>GA provided RB funded translators and interpreters to address the issue.</p>	Operational	Possible	High	Higher Risk

Focus Area:	Human Resource Management		Possible	High	Higher Risk
Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
<p>E(vi) Managers may by-pass qualification requirements for a post as well as gender and geographic distribution rules when short term staff is hired in lieu of going through the lengthy recruitment process to fill a regular post.</p> <p>E(vii) The use of General and Temporary Assistance (GTA) staff and Short Term contracts may result in high volume of personnel actions to process. Contract extensions for GTA and Short Term can also exacerbate the problem with insufficient time to assess qualifications and to run background checks on GTA staff.</p> <p>E(viii) Delays in receiving notification of upcoming vacancies from clients could prolong the recruitment process</p> <p>E(ix) Urgent or unreasonable demands, lack of follow up or delays in the review of applicants may further delay the recruitment process, giving the impression that HRMS is not client oriented.</p> <p>E(x) Absence of department heads who are required to approve contracts may slow down the process of bringing on board new staff.</p>		Operational	Possible	High	<b>Higher Risk</b>
B(i) Current recruitment process is seen as bureaucratic and cumbersome by clients resulting in candidates being lost before process is finalised.	UNON undertakes recruitment in accordance with UN rules and any delegation of authority it has been granted.	Governance	Possible	Medium	<b>Moderate Risk</b>

Focus Area:	Human Resource Management		Possible	High	Higher Risk
Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
<p>C(i). The geographical dispersion of offices and limited oversight mechanism may make it difficult to ensure local recruitment is undertaken in accordance with rules.</p> <p>C(ii). Perceptions may exist that recruitment of senior managers are based on favoritism, cronyism, nationalism, which may lead to low morale among the workforce.</p> <p>C(iii). The lack of transparency and honest and open communication in the hiring process may result lack of motivation and low morale of staff.</p>		Compliance	Likely	Medium	Higher Risk
<p>G(i) Lack of specific skills to support the deployment of new applications (Customer relationship Management System and Content Management system) may prevent timely and effective roll out of applications.</p> <p>G(ii) The Galaxy system may no longer be the right tool to support the recruitment needs of the UN.</p>		Information Resources	Possible	Low	Lower Risk
<p>A(i) Staffing plan/process currently in place may not be adequate to ensure proper staffing and recruitment practices across organization</p> <p>A(ii) The implementation of gender and geographic hiring requirements may be in direct conflict with other Secretariat recruitment policies.</p>	The Secretariat imposes various criteria for recruitment (cycle time, gender, geographical distribution).	Strategy	Possible	Medium	Moderate Risk

Focus Area:	Human Resource Management		Possible	High	Higher Risk
Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
<b>Training and development</b>			Likely	Medium	Higher Risk
<p>F(i). Lack of training (i.e. in procurement and other administrative activities) may create steep learning curve resulting in extended period of inefficiency and increase non compliance with UN rules and regulation and operational, financial, and reputation damage to the organization.</p> <p>F(ii). Inadequate IT Knowledge by clients may prevent them from communicating their needs effectively to ICTS. Hence ICTS may not be able to align its strategies to the clients Business Strategy.</p> <p>F(iii). Limited pool of qualified trainers and training options in Nairobi may impact on operational effectiveness by failing to keep staff up to date.</p> <p>F(iv). Lack of skills to support the deployment of new applications (Customer relationship Management System and Content Management system) may prevent timely and effective roll out and effective use of applications.</p> <p>F(v). Lack of training in specialist areas such as project management, the legal profession or finance (IPSAS) within the UN may impede skills maintenance and development as well as effective provision of services and adherence to standards.</p>		Human Resources	Likely	Medium	Higher Risk
A(i). Absence of strategic planning by clients for training at the organizational and individual level could hamper good performance.		Strategy	Possible	Medium	Moderate Risk
B(i). Senior management is less inclined to take advantage of training opportunities, setting the wrong tone about the importance of training to the Organisation.		Governance	Likely	High	Higher Risk

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G(i). On-line training options hampered by insufficient bandwidth in compound resulting in inability of staff to take advantage of the courses.		Information Resources	Possible	Medium	Moderate Risk
E(i). Inadequate advance notices of upcoming training courses may reduce attendance as staff may already have commitments.  E(ii). Inadequate arrangements for planning for delivery of training to client staff based outside Nairobi may result in low productivity.	UNON bulletin board is used to advertise upcoming courses.	Operational	Possible	Medium	Moderate Risk
<b>Alignment of staffing level to work demands</b>			Likely	Medium	Higher Risk
A(i). Lack of benchmark and standards at UN wide level may prevent UNON making appropriate staffing decisions for adequate staff resources resulting in long working hours, work backlog and disruption of operations.  A(ii). Inadequate human resources assigned to manage new projects, may create additional strain for already stretched UNON resources.  A(iii). Lack of succession planning in the UN could cause a severe impact on institutional knowledge retention, and loss of technical and managerial skills.		Strategy	Likely	Medium	Higher Risk
E(i). Shortage of human resource may result in frequent use of overtime in dealing with accumulated backlog and may increase incidence of making mistakes and accidents because of fatigue.		Operational	Likely	Medium	Higher Risk

Focus Area:	Human Resource Management		Possible	High	Higher Risk
Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
<b>Staff retention and administration</b>			Possible	Medium	Moderate Risk
<p>B(i). UN bureaucracy and culture makes it difficult to move or let go non-performing staff, especially old employees, which may put an additional burden on performing staff to ensure objectives and deadlines are met.</p> <p>B(ii). UN Staff rules framework may not support the current operational requirements resulting in poor staff performance.</p>		Governance	Possible	High	Higher Risk
<p>B(iii). Mobility policies may be circumvented depending upon management's interpretation resulting in low productivity.</p> <p>B(iv). Differences in the interpretation of mobility rules and the application of those rules may lead to conflict between programme managers and HRMS officials resulting in impairing of work performance.</p> <p>B(v). The implementation of mobility policies may be viewed as unfair by staff if there is not proper adherence to a clear set of rule, which may cause staff to mistrust management.</p> <p>B(vi). Given that recruitment can be a lengthy process this may further exacerbate the mobility process, once a staff member leaves, the post may remain unencumbered for six months or longer.</p>		Governance	Possible	Medium	Moderate Risk

Focus Area:	Human Resource Management		Possible	High	Higher Risk
Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
F(i). The pay and conditions of local GS staff are low in comparison to other duty stations which may result in the best staff seeking opportunities to transfer, where possible, to positions in other organizations such as DPKO, which may impair operational efficiency and effectiveness.	Pay and conditions of GS are tied to local market rates.	Human Resources	Possible	Medium	Moderate Risk
<p>G(i). Use of e-mail to communicate requests to HRM may result in the emails containing errors being overlooked resulting in important HR actions such as contract extensions to be missed, entitlements not paid etc.</p> <p>G(ii). IMIS may be considered as obsolete as HRMS may not be able to obtain accurate information when needed.</p> <p>G(iii). The lack of visibility within IMIS of claims filed by staff members relocating from one duty station to another may lead to duplicative or improper payments to staff members.</p> <p>G(iv). Late receipt of IMIS scripts when staff move from one duty station to another could also lead to erroneous, or duplicative payments</p> <p>G(v). Lack of automation of many HR processes may increase inefficiency and the likelihood and error.</p>	<p>UNON has taken important steps towards e-HR implementing a number of ad hoc self-service on line applications for request and administration of entitlements.</p> <p>Duplicate set of records maintained in IMIS and other digital or paper based supports.</p> <p>UNON has a system that reports to paper based records or has to use interfaces to facilitate access and reporting of staff management related information.</p>	Information Resources	Possible	Medium	Moderate Risk
E(i). Implementation of managed mobility may pose a loss of institutional knowledge for UNON.	There are mitigating controls to keep the knowledge in the department as much as possible. The use of shared drives to save documents; knowledge sharing activities are carried out; and the outcome of important meetings is shared.	Operational	Possible	Medium	Moderate Risk



Focus Area:	Human Resource Management		Possible	High	Higher Risk
Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
<b>Entitlements and allowances</b>			Possible	Medium	Moderate Risk
C(i). Disparities in the application or interpretation of entitlement rules may produce discrepancies and inconsistencies in the processing of entitlements.	Staff may contact the HR officer in the event of a disagreement, denial of a claim, or calculation of a payment. If the issue is not resolved the staff member may contact the officer's manager, or the Chief of Service.	Compliance	Possible	Medium	Moderate Risk
<p>F(i). Entitlements may be subject to abuse by staff members if HRMS lacks sufficient staff to adequately review submissions for reimbursements.</p> <p>F(ii). The lack of visibility within IMIS of claims filed by staff members relocating from one duty station to another may lead to duplicative or improper payments to staff members.</p> <p>F(iii) Inaccurate payments to staff, by accident or design, can occur because of the large number of benefits each with its own set of rules.</p>		Human Resources	Possible	Medium	Moderate Risk

Focus Area:	Human Resource Management		Possible	High	Higher Risk
Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
<p>E(i). Grant of security allowance to international staff only may threaten perception of equity and adversely impact on local staff security and morale.</p> <p>E(ii). Processing education grants may be tedious, cumbersome, and lengthy due to the complexities involved in reviewing documentation to substantiate staff request, which may impact the effectiveness and efficiency of other HRMS work.</p> <p>E(iii). Paper-based entitlement requests could result in data errors and consequently incorrect payment of entitlements.</p> <p>E(iv). Lack of information on the criteria of what constitutes an accurate and complete submission for the request of entitlements may result in staff not receiving accurate information.</p> <p>E(v). There is no clear guideline on approval decisions and no list of acceptable expenses provided to staff, which could result in confusion and making mistakes.</p>	<p>Pay and conditions of GS staff are tied to local market rates.</p> <p>The UN Common System (UNCS) has a pilot underway for lump sum education grant.</p>	Operational	Likely	Medium	Higher Risk

Focus Area:	Human Resource Management		Possible	High	Higher Risk
Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
<b>Appeals and decisions</b>			Possible	Medium	<b>Moderate Risk</b>
<p>B(i). Staff taking their cases to the press, when HRMS renders unfavorable decision during the appeals process which can impact on the UN reputation.</p> <p>B(ii). Staff members may be victimized by other staff affected by disciplinary action, which could impair on the effectiveness of UNON's operations.</p> <p>B(iii). Inadequate recourse by staff on decisions by HRMS or programme managers could result in poor morale of staff members.</p> <p>B(iv). UNON may lack an effective system of administrative justice, which may weaken system of transparency and accountability.</p>	Preventive actions are taken by legal services to avoid non compliance to rules that may bring about legal allegations against the United Nations. Legal staff tries to raise awareness of regulations to staff members regarding disciplinary and conduct cases.	Governance	Possible	Medium	<b>Moderate Risk</b>
F(i). There are insufficient staff members to fulfill legal tasks related to human resources, which may create backlogs and delays in responding to claims or appeals.		Human Resources	Possible	Medium	<b>Moderate Risk</b>
<p>E(i). Recourse for staff appealing against the denial/disapproval of an entitlement may be slow and tedious and result in discontent.</p> <p>E(ii). Lack of segregation of functions may result in perception that the appeals process is not fair because the decision to approve or deny, as well as to appeal are within HRMS.</p>		Operational	Possible	Medium	<b>Moderate Risk</b>

## Risk Assessment of : UNON

4	Focus Area:	Procurement and Contract Administration	Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
1	<b>Procurement planning</b>		Likely	Medium	Higher Risk	
	<p>A(i). Absence of adequate procurement planning by clients may impact on UNON's ability to secure good prices through economies of scale.</p> <p>A(ii). Limited ability of client organizations to define their procurement requirements may affect the efficiency and effectiveness of the procurement process and the overall client's satisfaction.</p> <p>A(iii). Poor planning by outposted offices could result in many procurements being handled as 'emergency' purchases, which is inefficient, lowers likelihood that most economical purchases will be made and makes it difficult to procure in a timely manner.</p> <p>A(iv). Local procurement planning may be hindered by small local supplier base. Widening the base to external may increase cost and time, which may be unacceptable to clients.</p> <p>A(v). Procurement awards that are not in line with the Greening the United Nations initiative may affect the credibility of UNON.</p>	Currently, on a case-by-case basis, requisitioners may incorporate environmental factors in their evaluation criteria.	Strategy	Likely	High	Higher Risk

4	Focus Area: Procurement and Contract Administration		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	D(i). Absence of procurement planning may result in higher costs because there is no standardization of equipment types, no economies of scale.		Financial	Likely	Medium	Higher Risk
	C(i). The requirement that procurement actions should only be undertaken when funds are available may contribute to delays and hurried procurement activities that may result in UNON not achieving the best value for money.	<p>The UN financial regulations and rules require that procurement actions should only be undertaken when funds are available.</p> <p>The Procurement and Contracts Unit may consider that it is in the interest of the organisation to launch bidding exercises in order to meet project deadlines and cost effectiveness. In such cases the Procurement and Contracts Unit takes the risk and initiates the process hoping funds would be available on completion of the procurement process.</p>	Compliance	Possible	Medium	Moderate Risk
	E(i). Receipt of funds and allotments toward the end of the biennium may result in rushed procurement activities that may not be efficient or cost-effective.		Operational	Possible	Medium	Moderate Risk

4	Focus Area: Procurement and Contract Administration		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
II	<b>Procurement Process</b>		Possible	High	Higher Risk	
	<p>E(i). Procurement lead time may not be suitable to nature of operations and undermine the delivery of conference services, security services and ICTS goods.</p> <p>E(ii). Operating constraints in Africa may result in lack of timely and sufficient supply of products (particularly fuel) which may hamper client operations.</p> <p>E(iii). Prevalence of sole provider contracts and the subsequent lack of competition may limit the ability of the organizations to receive better quality at a lower cost and fully comply with procurement rules and effectively procure goods.</p>	Within local operating constraints, UNON is moving towards a system to ensure minimum competition among suppliers.	Operational	Likely	Medium	Higher Risk
	<p>F(i). UNON procurement may lack expertise in some of the specialist areas of procurement undertaken by its clients increasing risks of fraud and poor value for money being obtained.</p> <p>F(ii). Inadequate staffing levels may result in deployment of interns which could increase the organizational exposure to making procurement related mistakes and compromise the procurement process.</p>	UNON is strengthening its processes in this area following an OIOS audit.	Human Resources	Likely	High	Higher Risk

4	Focus Area: Procurement and Contract Administration		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>C(i). Weak arrangements for monitoring and oversight of procurement process increase likelihood of fraud and increased costs for procurement.</p> <p>C(ii). Exceptions in compliance with procurement and contract management process may expose the organization to fraud, financial and reputational loss.</p> <p>C(iii). Inadequate segregation of duties and limited qualification of staff members in out-posted offices and projects of UNEP and UN Habitat may result in higher risk of fraud, financial and reputational losses, and inadequate service of operations.</p> <p>C(iv). A lack of awareness and different interpretations to the UN rules and regulations on code of conduct, gifts and hospitality may lead to non-compliance which could affect the credibility of the UN.</p> <p>C(v). The breakdown of larger purchases into smaller lots to speed up procurement process and to avoid procurement controls may result in inefficient procurement activities that may not be cost effective and possible fraud.</p>	<p>Weak arrangements for ensuring compliance with procurement rules were identified in a recent OIOS report, and UNON is in the process of addressing this issue.</p>	Compliance	Possible	High	Higher Risk

4	Focus Area: Procurement and Contract Administration		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>C(vi). Statement of work or terms of references submitted by requisitioners may be prepared to favour certain vendors and may result in failure to achieve the best value for money.</p> <p>C(vii). Conflict of interest situations could lead to procurement decisions that may not be objective and cost effective.</p> <p>C(viii). Limited technical knowledge and/or understanding of procurement rules by clients may result in client organizations failing to comply with the process and expose organization to liabilities.</p>	<p>Training was provided in the last biennium to raise awareness of the need to comply with ethics and code of conduct guidelines.</p> <p>Guidance on preparation of statement of requirements are included in the Procurement Manual.</p> <p>The Staff rules and regulations address the issue of conflict of interest and require that staff should excuse themselves from involvement in matters which give rise to conflict of interest. Additional controls put in place include the Whistle blower policy, establishment of an ethics office and the financial disclosure policy.</p>	Compliance	Possible	High	Higher Risk
	<p>A(i). The UN requirements and procedures for submitting bids are lengthy and may discourage vendors from submitting bids, which may lead to reduced level of competition.</p>		Strategy	Likely	High	Higher Risk
	<p>B(i). Management may interfere with the procurement process without a full understanding of the rules or implications which may obscure accountability, impair quality of procurement process and could result in loss of interest from vendors and therefore reduced competition.</p> <p>B(ii). The Local Committee on Contracts members may not have sufficient knowledge of the Procurement and Financial rules and Procurement Best Practice which could result in ineffective review of procurement cases.</p>		Governance	Possible	High	Higher Risk



4	Focus Area: Procurement and Contract Administration		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	D(i). Inability of requisitioners to estimate costs may result in insufficient budget which could lead to cancellation of the procurement process and consequently bad reputation with the vendors.		Financial	Possible	Medium	Moderate Risk
	<p>E(i). Limited control on the technical evaluation may pose threats in terms of transparency and trust and affect goodwill and reputation of involved parties.</p> <p>E(ii). Introduction of credit cards for procurement in the absence of an adequate policy and monitoring system may expose the organization to the risk of fraud, financial and reputational risks.</p> <p>E(iii). Manipulation of the procurement and bidding process through fraudulent and corrupt activities may go undetected and could lead to significant financial losses.</p> <p>E(iv). Lack of clarity on the use of best value for money procurement principle may result in inconsistencies in the application of the principle as well as non-compliance with the Procurement Manual and could lead to procurement actions that are not cost effective.</p>	<p>Weak controls over the conduct of technical evaluations were identified in a recent OIOS audit on procurement which are in the process of being addressed.</p> <p>UN destroyed all credit cards and put in place revised procedures for anyone requesting a credit card in the future.</p> <p>Weak arrangements for ensuring compliance with procurement rules were identified in a recent OIOS report, and UNON is in the process of addressing this issue.</p> <p>OIOS audit of procurement identified lack of clarity in identifying best value for money. This has been addressed in the latest version of the Procurement Manual issued in December 2007 which provides more details and explanations of the best value for money principles.</p>	Operational	Possible	Medium	Moderate Risk

4	Focus Area: Procurement and Contract Administration		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
III	<b>Vendor database management</b>		Possible	Medium	Moderate Risk	
	B(i). Failure to remove vendors who have been blacklisted by other UN entities from the vendor database may result in awarding of contracts to such vendors which could affect the credibility of the United Nations.	<p>The Procurement Manual provides guidance to procurement staff or staff members involved in any aspect of procurement with regard to removal of blacklisted vendors or vendors not performing according to UN procurement requirements.</p> <p>The Staff rules and regulations address the issue of conflict of interest and require that staff should excuse themselves from involvement in matters which give rise to conflict of interest. Additional controls put in place include the Whistle blower policy, establishment of an ethics office, the financial disclosure policy and the post employment restrictions policy.</p>	Governance	Possible	Medium	Moderate Risk

4	Focus Area: Procurement and Contract Administration		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>C(i). Lack of preparation of Vendor performance reports by requisitioners may result in delays by the Procurement and Contracts Unit and result in poor evaluation of vendors.</p> <p>C(ii). Inadequate procedures for selection, retention and removal of vendors from the vendor database may lead to unreliability of the database as a tool for identifying vendors.</p> <p>C(iii). Inadequate evaluation of new vendors may lead to awarding of contracts to vendors who may not be financially stable and could result in non secure contracts that may lead to losses.</p> <p>C(iv). The lack of sufficient staffing resources could lead to not preparing vendor performance reports on a regular basis as required by the Procurement Manual, which could result in not properly evaluating vendors and thereby making erroneous decisions on procurement issues.</p>	<p>Training was provided in the last biennium to raise awareness of the need to comply with ethics and code of conduct guidelines of the Local Committee on Contract members and requisitioners.</p>	Compliance	Possible	Medium	<b>Moderate Risk</b>

4	Focus Area: Procurement and Contract Administration		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	E(i). Errors in the vendor database may lead to vendors not receiving bid documents or vendors being invited to bid for incorrect products which could result in low vendor response rates and consequently less competition.	UNON has weak arrangements for management of the vendor roster, which were identified in the recent OIOS audit on procurement and which are currently being addressed.	Operational	Possible	Medium	Moderate Risk
	G(i). Unauthorized access and changes to the vendor database may not be detected and could result in blacklisted vendors being approached.	UNON has weak arrangements for management of the vendor roster, which were identified in the recent OIOS audit on procurement and which are currently being addressed.	Information Resources	Possible	Medium	Moderate Risk

4	Focus Area: Procurement and Contract Administration		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
IV	<b>Contract management and administration</b>		Possible	High	Higher Risk	
	<p>D(i). Payment for goods and services may not be in conformance to the contract terms and could result in overpayment.</p> <p>D(ii). Invoices sent directly to the requisitioners or Procurement Unit may result in failure to detect any anomalies in the invoices.</p>	<p>Invoice processing process which includes certification by requisitioners, review by the invoice processing unit and approval by Finance officers.</p> <p>Invoices are to be received and processed by BFMS.</p>	Financial	Possible	Medium	Moderate Risk
	<p>E(i). Lack of a contracts register may lead to difficulty in monitoring contract amounts and expiration dates and could result in failure to control and manage the costs and failure to renew the contracts on a timely basis.</p> <p>E(ii). The contracts terms and conditions may not be clearly documented which may result in failure to detect incorrect invoices or increase the risk of disputes with vendors and fraud.</p> <p>E(iii). Contracts may not include penalties and other safeguards that would minimize losses in case of non-performance.</p> <p>E(iv) Lack of sufficient details in the purchase orders may result in difficulty in matching goods received against the purchase orders to establish the accuracy and completeness of deliveries.</p>	<p>The Procurement Unit in 2007 started to develop a contract monitoring module with details of active contracts managed by their respective sections/units.</p> <p>UNON has established a position of legal officer in the Office of Director General UNON to advise and work with procurement on contractual issues.</p> <p>When purchase orders are used they include several attachments such as emails and other correspondence to assist where clarifications are required.</p>	Operational	Possible	High	Higher Risk

## Risk Assessment of : UNON

5	Focus Area: <b>Logistics Management</b>		Possible	Medium	Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
1	<b>Travel Services</b>		Possible	Medium	Moderate Risk	
	<p>D(i). Delays in payment from client organizations to travel agency may put the relationship with suppliers at risk.</p> <p>D(ii). Restricted choice in travel agents and means of travel may result in UN paying higher prices for travel.</p> <p>D(iii). High number of transactions (5-6,000 per year) may cause human errors, lead to errors and result in higher costs.</p> <p>D(iv). Lack of knowledge of airline pricing structure and options by UNON staff could increase the likelihood of the UN paying higher prices because of the inability to check and confirm offers made by the travel agent.</p> <p>D(v). Late receipt of Travel requests may lead to additional costs.</p> <p>D(vi). Staff members' failure to include sufficient information in the travel requests may cause delays that may lead to failure to obtain the best fare options and prices.</p> <p>D(vii). Failure to notify the Travel sub-unit of changes in travel plans, including cancellations, may lead to failure to reclaim the cost of unused tickets.</p>	<p>UNON enters into agreements with airlines to try to get preferential rates.</p> <p>The Administrative instructions address the need for timely submission of travel requests and recovery of travel advances where submission is not timely.</p> <p>Reminders are issued to staff regarding the need to provide all required information in travel requests.</p>	Financial	Possible	Medium	Moderate Risk

5	Focus Area: <b>Logistics Management</b>		Possible	Medium	Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	C(i). Personal interests and preferences of staff members may lead to failure to comply with travel policy which could result in higher fare costs to UNON and other UN agencies using the travel agent.		Compliance	Possible	Medium	Moderate Risk

5	Focus Area: <b>Logistics Management</b>		Possible	Medium	Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>A(i). Absence of any focal point mechanism to track and foresee changes and developments in travel industry may result in UN failing to take advantage of developments such as e-ticketing and entering into uneconomical agreements with airlines and travel agents.</p> <p>A(ii). Absence of forward planning on travel may result in increased workload, backlogs, reduced choice and increased cost of travel to clients.</p> <p>A(iii). Unforeseen circumstances may cause last minute changes or cancellations to traveling plans which could in turn lead to additional costs.</p>		Strategy	Likely	Medium	Higher Risk
	E(i). Inadequate arrangements for monitoring adherence to travel agency contract terms and conditions may result in uneconomical, inefficient and / or ineffective travel operations.	As noted in procurement report inadequate arrangements exist for contract monitoring which UNON is addressing.	Financial	Likely	Low	Moderate Risk
	F(i). The demanding and stressful nature of the work in the travel unit may affect the staff and consequently the operations of the unit.	Policies and procedures are in place to ensure timely request.	Human Resources	Possible	Medium	Moderate Risk



5	Focus Area: <b>Logistics Management</b>			Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	B(i).Unnecessary travel may result in funds being wasted if spent on travel which is not properly planned and if the routing chosen is not the most economical.	<p>Entitlement travel such as on appointment, repatriation, home leave, etc. are clearly outlined in the staff rules and the administrative instruction on official travel. Official travel is required to be approved in writing by the heads of department before they take place.</p> <p>Quarterly reports on official travel of staff at Assistant Secretary General and above and by all heads of missions must be submitted to the Executive office of the Secretary General</p>	Governance	Possible	Medium	<b>Moderate Risk</b>

5	Focus Area: <b>Logistics Management</b>			Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
II	<b>Fleet Management and maintenance</b>			Likely	Medium	Higher Risk
	<p>E(i). Inability to carry out cost effective operations may arise where there is no financial provision for replacement of vehicles at the end of their useful life.</p> <p>E(ii). Road accidents during private use of official vehicles may lead to financial costs and even loss of life.</p> <p>E(iii). Inappropriate behavior by the drivers may affect the reputation of the United Nations.</p> <p>E(iv). It is difficult for the travel unit to enforce the administrative instructions concerning the vehicles used by high ranking official who may abuse policy and procedures for fear of reprimand.</p> <p>E(v). The lack of adequate control mechanisms may result in non UN officials using diplomatic number plates undetected, which could damage the reputation of the UN agencies in Kenya.</p>	<p>The Drivers carry high ranking officials and diplomats. No serious accidents have occurred in the past.</p> <p>The Drivers are well trained and no incidences of bad behavior have been reported in the past.</p>	Operational	Possible	Medium	Moderate Risk

5	Focus Area: <b>Logistics Management</b>		Possible	Medium	Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>D(i). Higher costs for vehicle maintenance may be incurred because of poor road conditions.</p> <p>D(ii). Due to shortage of official vehicles , vehicles may not be taken for regular preventative maintenance leading to higher cost of repair.</p> <p>D(iii) High maintenance costs and unreliability of vehicles may result if transport vehicles are very old and there in no fleet replacement budget.</p>	Vehicle logs are maintained.	Financial	Likely	Low	Moderate Risk
	C(i). Misuse of vehicles for personal reasons or unauthorised travel may lead to additional costs and could cause outsiders to view it as misuse of resources and therefore lead to reputational risks.		Compliance	Likely	Medium	Higher Risk

5	Focus Area: <b>Logistics Management</b>			Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
III	<b>Visa processing and Issue of Laissez-Passer</b>			Possible	Medium	Moderate Risk
	B(i). Issuing of multiple Laissez-Passer (LP) documents or the failure by holders to return such documents could lead to misuse which could in turn affect the credibility of the document and lead to reputational risks to the UN.	<p>Staff have to return LP's as part of the check out process. Failure to return is a risk mainly for LPs issued to consultants.</p> <p>It is intended to replace the current LP document with one containing biometric information about the holder.</p> <p>The Visa and UNLP database is integrated with the one in New York and other duty stations in Europe.</p>	Governance	Possible	Medium	Moderate Risk
	C(i). UNLP may not be used by staff members in compliance with regulations and rules resulting in abuse and misuse, which could taint the image and reputation of UN agencies.	Senior Officer to keep Kenyan nationals' UNLP in a safe when not used	Compliance	Possible	Medium	Moderate Risk
	<p>E(i). UNLP may not be accepted in some countries preventing a staff member from carrying out his / her duties in that country.</p> <p>E(ii). Failure by staff members to submit complete, accurate and timely visa applications may lead to delays in the receipt of visas or denial of visas. This may cause changes to the travel plans that could lead to increased costs.</p> <p>E(iii). Restrictive visa requirements by member states for different nationalities may create difficulties in obtaining visas for official travels of UN staff. This may in turn impact on the delivery of programmes.</p>		Operational	Possible	Medium	Moderate Risk

5	Focus Area: <b>Logistics Management</b>			Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
IV	<b>Mail operations</b>			Possible	Medium	Moderate Risk
	<p>E(i). Incoming diplomatic pouches are not scanned. This may lead to failure to detect any chemical, biological and explosive materials therefore exposing the Nairobi operations to such attacks.</p> <p>E(ii). Delays in paying invoices for courier services may lead to the courier company's refusal to deliver the mail before payments are done.</p> <p>E(iii). Sensitive mails may be lost or destroyed in transit or transferred to the wrong recipient. This could result in the leakage of sensitive information to the public which may affect the reputation of the United Nations.</p>	<p>The mail operations unit advises staff to use diplomatic pouches for sensitive mail.</p> <p>There is an insurance cover for financial losses arising from losses in transit.</p> <p>UNON is a transit point for diplomatic mail from other duty stations. Reliance is placed on the scanning that has taken place in the originating offices.</p> <p>Each pouch bag is sealed.</p> <p>A new Materials Handling Facilities is being constructed and is expected to be completed in August 2008. The new building will have scanners dedicated to diplomatic pouch items.</p>	Operational	Possible	Medium	Moderate Risk

5	Focus Area: <b>Logistics Management</b>			Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
V	<b>Shipping</b>			Possible	Medium	Moderate Risk
	<p>D(i). Retention of goods for further inspection or resolution of disputes by receiving country's customs may result in financial penalties and costs elated to deterioration of goods because of lengthy storage.</p> <p>D(ii). Theft, loss or damage of goods may lead to increased costs.</p>	<p>UNON maintains close ties with host country to try to minimize costs arising from delays by customs.</p> <p>To minimize the impact of such events, Shipping sub-unit staff try to maintain good relationships with transporters to improve early notification of losses or damages and to increase the likelihood of a quick resolution.</p> <p>The Shipping sub-unit must ensure that appropriate insurance is in place to cover the risk of theft, loss or damage of goods in transit.</p>	Financial	Possible	Medium	Moderate Risk
	<p>C(i). Attempts by staff to misunderstand, bend or break rules to achieve maximum financial benefit, may result in non-compliance with regulations and could lead to increased costs.</p>	<p>Entitlements are clearly stipulated in the administrative instructions and staff rules and regulations.</p> <p>Introduction of the lump-sum options significantly reduces this risk as approximately 80% of staff opt for the lump-sum.</p>	Compliance	Possible	Medium	Moderate Risk

5	Focus Area: <b>Logistics Management</b>			Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	E(i). Failure by staff members to provide sufficient and accurate information of their shipments of personal goods may lead to delays and additional costs.	<p>The Shipping sub-unit staff spends a great deal of time liaising with clients and forwarders to ensure that there have been no changes to requirements or shipping arrangements.</p> <p>The introduction of the lump-sum option has significantly reduced the number of claims and complaints received, with approximately 80% of staff choosing this option.</p>	Operational	Possible	Medium	Moderate Risk
	F(i). The loss or non-availability of a Shipping member of staff, may lead to inability of the Shipping Unit to deliver quality and timely services to staff.	The nature of work in the Shipping unit is highly specialized because of the need to know and understand customs rules and restrictions.	Human Resources	Remote	Medium	Lower Risk

## Risk Assessment of : UNON

6	Focus Area:	Information Technology Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
I	<b>Management of ICT infrastructure</b>			Remote	High	<b>Moderate Risk</b>
	<p>G(i). Limited infrastructural capability for communication services at relatively high communications cost prevents UNON and its clients from effectively running their operations and the use of multi-media services.</p> <p>G(ii). Substandard and poor quality cables may slow down the service and increase the costs of ICT infrastructure.</p> <p>G(iii). Lack of upgrading of Nairobi's infrastructure may prevent the viability of ERP.</p>	ICTS is trying to optimize available resources use, in order to deal with constraints.	Information Resources	Possible	High	<b>Higher Risk</b>
	B(i). Inadequate arrangements for ICT Governance may prevent a cost effective and / or efficient approach to identification and utilisation of ICT.	A UNON ICT Committee exists comprised of representatives of the main client organizations.	Governance	Possible	Medium	<b>Moderate Risk</b>
	<p>E(i). Lack of policies and procedures on ICT investments and application developments may lead to in-house application development taking place with no appropriate coordination, control or proper justification.</p> <p>E(ii). The existing ICT infrastructure may not have the capacity to provide the necessary support for the implementation of some new initiatives, making those initiatives unaffordable to the organization.</p>		Operational	Likely	Medium	<b>Higher Risk</b>



6	Focus Area: Information Technology Management		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
II	<b>IT service delivery and support</b>		Possible	Medium	Moderate Risk	
	<p>G(i). Inadequacy of existing system (IMIS) and the co-existence of several not yet integrated systems developed to deal with its deficiencies, may result in mistakes, double input, rework, difficulty of retrieving information in critical areas such as procurement, finance, HR, travel and other core services, in reporting, and in ensuring completeness, accuracy and timeliness of information and may prevent management from making timely and informed decisions.</p> <p>G(ii). The limited capacity of IMIS and the downtimes needed in order to update the database may result in access limitations and in stoppage of operations.</p> <p>G(iii). Low bandwidth and support function in NY may hinder accessibility to data.</p> <p>G(iv). Lack of adequate support for IT applications may affect efficiency and effectiveness of service delivery to client.</p> <p>G(v). Lack of involvement of mid to top management from Nairobi in the ERP development may result in lack of understanding of local needs and in missed opportunities for the deployment of an effective integrated system.</p>	<p>Lack of suitable integration of applications could be resolved through introduction of ERP by 2010. User and usability requirements are being defined through high level meetings mainly in NY with limited involvement of senior staff in other duty stations</p>	Information Resources	Possible	Medium	Moderate Risk

6	Focus Area: Information Technology Management		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
III	<b>Communication Services</b>		Possible	High	Higher Risk	
	<p>G(i). Inadequate and unreliable communication system within and outside of the compound in Nairobi may hinder effective operations.</p> <p>G(ii). Communication system failure may isolate Nairobi from other duty stations and out-posted projects and offices.</p> <p>G(iii). Confidential information through the secure fax-phone may be viewed by unauthorized and non code cleared personnel.</p>	<p>UNON relies on service provided from external suppliers. Back up provided mainly through mobile telephone/SMS if available and security radios provided to warden.</p> <p>Reception and transmission of confidential information are only carried out by code cleared personnel.</p>	Information Resources	Possible	High	Higher Risk
	D(i). Communications costs in Africa may be higher than other duty stations increasing the costs to UNON.	UNON created a competitive environment by inviting DPKO to also bid for delivery of communication services. This resulted in lower communication prices	Financial	Possible	Medium	Moderate Risk
IV	<b>Business continuity and disaster recovery</b>		Possible	High	Higher Risk	
	A(i). Absence of disaster planning may seriously impact on the capability of the UN in Nairobi to continue its operations in the event of a disaster.	UNON has started to explore offsite storage of data.	Strategy	Possible	High	Higher Risk

6	Focus Area: Information Technology Management		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
V	IT security			Possible	High	Higher Risk
	<p>E(i). Absence of procedures and tools to handle cleaning of hard disks prior to disposal increase likelihood of the buyer getting access to UN information.</p> <p>E(ii). Absence of guidelines on data and information security classification may result in classified data not being secure and easier for a hacker to obtain.</p> <p>E(iii). Absence of procedures on computer security may result in passwords being infrequently changed and may be shared increasing the likelihood of unauthorized data access.</p> <p>E(iv). Absence of a secure location to archive and back up information may result in the likelihood of unauthorized access or loss of data.</p> <p>E(v). Backup servers residing in the same location as the main server may increase the likelihood of disruption to operations in the event of a disaster.</p>		Operational	Possible	High	Higher Risk

6	Focus Area: Information Technology Management		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>G(i). Network monitoring may not be effective, increasing the likelihood of unauthorized access not being detected or prevented.</p> <p>G(ii). System vulnerability test may not be regularly undertaken, which could increase the likelihood of systems failures disrupting continuity of operations.</p> <p>G(iii). Unauthorized persons may gain access to ICT equipment/Data Centre or Telecommunication's equipment such as PABX, resulting in unauthorized modifications, disclosure or destruction of information assets.</p> <p>G(iv). Staff with user administrative rights on their workstation may install software that may be harmful to the entire network.</p> <p>G(v). Staff with user administrative rights on their workstation can take unauthorized information out with a consequent loss of reputation for the organization.</p> <p>G(vi). UNON public website may be subject to malicious attack or hacking, which could impact on its reputation and image.</p>	<p>Physical and logical access control procedures in place. With administrative rights, staff can download executable files and install software.</p> <p>ICTS has implemented anti-spyware and antivirus on all ICTS desktops. The settings for the anti-virus are controlled centrally and staff are not allowed to disable nor change the configuration of the anti-spyware and anti-virus software.</p> <p>All ICTS staff are aware of their information security responsibilities.</p> <p>Currently access control is applied to areas where there are levels of authorities.</p>	Information Resources	Likely	High	Higher Risk
	<p>G(vii). Lack of a complete corporate information security policy may hamper the implementation of cost effective and efficient risk mitigation activities.</p> <p>G(viii). Absence of an Information Security Policy needed to identify mission critical functions, security practices and organization vulnerabilities could result in serious data loss and costs to UNON.</p>	<p>All ICTS staff are aware of their information security responsibilities.</p> <p>Currently access control is applied to areas where there are levels of authorities.</p>				

6	Focus Area: Information Technology Management		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	F(i). Staff may not be adequately trained in data integrity and backup, increasing the likelihood of loss of data and disruption to business operations.		Human Resources	Possible	High	Higher Risk

## Risk Assessment of : UNON

7	Focus Area:	Programme and Project Management		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
1	<b>Public Information Services</b>			Possible	Medium	Moderate Risk
	<p>E(i). Conflicting and contradicting messages may be provided to the media as there is no immediate consultation possible due to the time difference between UNON and UN Headquarters.</p> <p>E(ii). In some countries, lack of awareness and understanding on what the UN does among the media community may seriously limit the effectiveness of UN's role and functions.</p> <p>E(iii). Insufficient controls over who are the authorized persons to disseminate information and brief the press could result in unauthorized staff distributing the wrong/ inappropriate information, resulting in damage to the reputation of the Organization.</p> <p>E(iv). Absence of a facility for press conference in the city centre may result in limited and untimely accessibility to the press.</p>	<p>Dissemination of timely and accurate information is one of the major functions of the United Nations Information Centre. UNIC has regular contacts with the local media and mainly covers the UN activities in the area. Information are provided by the agencies and then are aggregated and circulated for different audiences.</p> <p>UNIC also collect and receive information from external sources in which case the source is always cited as a means of mitigation in the absence of a system to check on externally generated information. Professional judgment is applied on a case to case basis.</p> <p>Press conferences are held in Gigiri.</p>	Operational	Possible	Medium	Moderate Risk

## Risk Assessment of : UNON

8	Focus Area:	Conference and Documents Management		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
<b>I</b>	<b>Records management</b>			Likely	Medium	Higher Risk
	G(i). Lack of adequate filing system and procedures may lead to loss of institutional memory and inefficiencies in providing legal advice services.  G(ii). Weak access controls over records may lead to access of confidential information by unauthorized persons.		Information Resources	Likely	Medium	Higher Risk
<b>II</b>	<b>Publishing Services</b>			Possible	Low	Lower Risk
	E(i). Slow adoption of electronic documentation and web based publications/web to print/print on demand may constrain circulation and keep cost of production of publications high.	Electrostatic printing for high volume production/higher machine capacity. \$2.3 million invested.	Operational	Possible	Low	Lower Risk

8	Focus Area: Conference and Documents Management		Possible	Medium	Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
III	<b>Conference management</b>		Possible	Medium	Moderate Risk	
	<p>D(i). Increasing cost may lead to loss of core customer base to competitors.</p> <p>D(ii). Loss of revenue due to political instability in Kenya could lead to people cancelling conferences.</p> <p>D(iii). Funding constraints may result in the Conference Services being unable to adhere to reporting requirements from HQ (DGCAM).</p> <p>D(iv). Lack of policies for ad hoc mandated events (such Great Lake) may expose conference services to late payment and the need to finance in house, which strains cash flows delays.</p>		Financial	Likely	High	Higher Risk
	<p>A(i). Poor client planning may not permit Conference Services to anticipate and plan accordingly, to deliver quality service (change of conferences dates).</p> <p>A(ii). Regulatory system of the UN may not support operational needs of conference services in terms of responsiveness and lead time because of the commercial nature of activities (procurement, travel etc.).</p>	Conference Services adopting a market oriented approach to gain knowledge of clients activities.	Strategy	Possible	Medium	Moderate Risk



8	Focus Area: Conference and Documents Management		Possible	Medium	Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>E(i). Constraints of facilities in Kenya may hinder effective delivery of conference services to Department of Conference Services core client base.</p> <p>E(ii). Lack of proper coordination with clients may result in disruptions in the process of the management and execution of the calendar of meetings.</p> <p>E(iii). Lack of a system to monitor and assess the level of service provided to clients may result in service level not improving.</p> <p>E(iv). Lack of a common global management system may prevent CSD from interfacing with other duty stations leading to redundancies and inefficiencies.</p> <p>E(v). Conference Services may undertake conference services in countries of which it has little knowledge and where operational constraints may exist to ensure delivery of an acceptable service.</p>	<p>Partially offset by some competitive edge gained through the width and breadth of service provided (six languages/different formats - one stop shop concept in printing). ISO 40001 compliant</p> <p>A global management system is in discussion.</p>	Operational	Possible	Medium	<b>Moderate Risk</b>
	<p>B(i). UN regulatory environment may not enable conference services to operate effectively as a market driven service.</p>		Governance	Possible	Medium	<b>Moderate Risk</b>

8	Focus Area: Conference and Documents Management		Possible	Medium	Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
IV	<b>Translation and interpretation services</b>		Possible	High	Higher Risk	
	<p>E(i). Lack of technical translation capabilities for legal documents may expose the organization legally or result in relevant delays when translation support is sought from NY.</p> <p>E(ii). Performance indicators in the Languages Service may favour quantity rather than quality. Objective quality criteria may not be comparable between duty stations because of different local conditions. This may result in biased conclusions on performance.</p> <p>E(iii). Poor quality incoming documents may ultimately increase the manpower time required to translate.</p>		Operational	Likely	Medium	Higher Risk
	D(i). Limited staff and short lead times for conference services may result in large use of overtime, stretching of work over seven days per week, delays in delivery, and extensive use of external contractors.	UN developing common roster of translators.	Financial	Possible	High	Higher Risk
	A(i). The lack of upstream work planning and lack of a comprehensive management tool for work forecasting may be an obstacle to efficient programme delivery as division may tend to be more reactive to outputs than being proactive through planning.		Strategy	Possible	Medium	Moderate Risk

## Risk Assessment of : UNON

9	Focus Area:	Property and Facilities Management		Likely	Medium	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
I	<b>Management of office premises and facilities</b>			Likely	Medium	Higher Risk
	<p>E(i). Power surges and general unreliability of power grid may hinder effective communication and damage equipments.</p> <p>E(ii). Absence of preventive maintenance programme and adequate provisions for funding especially for fairly old facilities, e.g. sewage, plumbing, water supply, may result in additional costs for repair and downtime of services.</p> <p>E(iii). Conference renovation project in place may result in interruption of services during work.</p> <p>E(iv). Plans to construct a new office building, a material handling facility and the related request for security services, may put additional stress on already limited resources.</p> <p>E(v). Clients may undertake new projects which require additional space without prior consulting with Facilities Management, which may put additional strain on already constrained resources.</p> <p>E(vi). Current office space may be insufficient for UNON clients' needs requiring staff to operate in overcrowded conditions which in addition to health and safety concerns may impact on staff productivity.</p>	<p>UNON ensure business continuity through provision of generator.</p> <p>Old conference service facilities are under restructuring to provide better services.</p> <p>SSS will be required to man additional facilities in the absence of budget provision for increase of security staff.</p> <p>To maximize space on the compound an open space project was embarked upon and there are plans to build additional space within the complex.</p>	Operational	Likely	Low	<b>Moderate Risk</b>
	E(vii). Flooding due to heavy rain during the long rain season may lead to damage of documents and possible increase in insurance costs.		Operational	Likely	Low	<b>Moderate Risk</b>

9	Focus Area: <b>Property and Facilities Management</b>			Likely	Medium	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>D(i). Inadequate funding for maintenance costs, such as cleaning and repairing may result in important maintenance activities not being performed.</p> <p>D(ii). Rental charges are set by New York and may not be sufficient to meet UNON needs.</p> <p>D(iii). Lack of adequate funding may result in failure to implement appropriate environmental measures, in line with the Secretary General's initiative of "greening the UN" and eventually even loss of reputation for the United Nations.</p>		Financial	Likely	Low	<b>Moderate Risk</b>
	A(i). Existing conference rooms, if not providing sufficient technological facilities (e.g. wifi, lighting and air-conditioning facilities and adequate safety features), may not meet the requirements of conference organizers. This could lead to loss of competitive edge compared to private conference facilities.	UNON is undertaking a programme of refurbishment of conference facilities.	Strategy	Possible	Medium	<b>Moderate Risk</b>
	C(i). UNON may not be in compliance with all health, safety and security requirements of the host country, which may not only lead to penalties and increased insurance costs, but ultimately also to health and safety risks to staff.		Compliance	Possible	High	<b>Higher Risk</b>

9	Focus Area: <b>Property and Facilities Management</b>			Likely	Medium	Higher Risk
No	<b>Interview/Review Summary (Description of risk)</b>	<b>OIOS Assessment</b>	<b>Risk Category</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Overall Risk</b>
II	<b>Property</b>			Likely	Medium	Higher Risk
	<p>E(i). Lack of adequate system in place for property management and control may expose the organization to financial, reputational and operational risks.</p> <p>E(ii). Maintaining higher than necessary stock levels may put a strain on already limited space for inventories.</p> <p>E(iii). Lack of provision of adequate facilities for inbound logistics may impact on the effectiveness and efficiency of the process and create opportunities for non compliance to rules and regulations and increased security risk.</p> <p>E(iv). The open space office plan may lead to higher risk of theft of employees personal assets, disruption of staff concentration due level of noise and lack of privacy and confidentiality.</p>	<p>OIOS audit of property and inventory management in 2007 confirmed inadequate arrangements to account for UN property throughout the process. As a result UNON has already undertaken a major review of the process.</p> <p>Electronic access control in place. Meeting rooms and close offices generally also available in open spaces.</p>	Operational	Possible	Medium	Moderate Risk
	C(i). There may be inadequate safeguards to ensure compliance with environmental rules when disposing of IT equipment.		Compliance	Likely	Low	Moderate Risk

9	Focus Area: <b>Property and Facilities Management</b>			Likely	Medium	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>D(i). Fire and natural hazards may lead to serious damage to or even loss of the building and loss of lives.</p> <p>D(ii). UNON may not be able to provide adequate and reliable financial information under IPSAS which requires full disclosure of assets in the financial statements, leading to declined reputation with donor states.</p>	<p>The financial risk is covered by insurance.</p> <p>A successful fire drill was carried out in summer 2007.</p>	Financial	Remote	High	Moderate Risk
III	<b>Building services</b>			Likely	High	Higher Risk
	E(i) Limited resources and expertise in construction management and subsequent over-reliance on external advise may create high operational, and financial risk as main constructions work are going on in the compound		Operational	Likely	High	Higher Risk

## Risk Assessment of : UNON

10	Focus Area:	Safety and Security		Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
I	<b>Occupational safety</b>			Likely	High	Higher Risk
	<p>E(i) Limited availability of bullet proof jackets may expose security officer to unnecessary risk for their life and undermine response capability in case of threat.</p> <p>E(ii). Travel by road in Phase 3 areas in Kenya may expose staff to risk of attacks.</p> <p>E(iii). Non compliance with food hygiene regulations and safe hygiene practices by contracted caterers may pose health risk to staff.</p> <p>E(iv). Lack of clarity between third party suppliers and the UN is liable in case of injury suffered by staff members as a result of the use of unsafe products.</p> <p>E(v). Inadequate infrastructure and non compliance with basic safety norms may lead to increased exposure of staff and property to the fire risk.</p>	<p>Procurement action initiated as part of the security upgrade PAC.</p> <p>Internal/external clearance and mandatory military escort required. Following post-elections unrest many areas in the country are Phase III and Nairobi has been upgraded to Phase II.</p> <p>Safety elements incorporated in the PAC.</p>	Operational	Likely	High	Higher Risk
	F(i). DSS may lack the resources to ensure that wardens are adequately trained in their duties which may endanger lives in the event of an emergency.		Human Resources	Likely	Medium	Higher Risk
	G(i) The lack of proper information dissemination/ sensitization may result in UNON's staff lacking awareness on security and safety issues in Nairobi		Information Resources	Likely	Medium	Higher Risk

10	Focus Area: Safety and Security		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>A(i). Some staff may be exposed to hazardous working conditions which may pose a threat to their health and safety i.e., publications, maintenance, security.</p> <p>A(ii). The administrative staff do not necessarily possess medical knowledge and this could impact decision-making process regarding medical care and treatment of staff.</p> <p>A(iii). UNON and its clients may not be prepared in the event of the Avian Flu or other epidemics such as Ebola, Meningitis, etc.</p>	<p>Precautionary measures are taken and staff is provided with travel kits when going to certain areas, and mission briefings are given. Medical check ups are also carried out every other year. For staff above 55 years old, check ups take place on an annual basis. Staff members with chronic diseases such as arthritis and infectious disease have to come in for regular check ups.</p> <p>The Chief of the Joint Medical Service is allowed to recommend which treatments should be reimbursed.</p> <p>UNON has a crisis management plan and was directly involved in preparing plans and obtaining the necessary medications and medical supplies in accordance with the Secretary General's Pandemic Planning Guidelines. The crisis management plan is not only used during a medical emergency but for any crisis and provides for the continuity of operations.</p>	Strategy	Likely	High	Higher Risk



10	Focus Area: Safety and Security		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>B(i). Lack of recourse for staff to appeal medical decisions outside of the Joint Medical Service where decisions are rendered.</p> <p>B(ii). Inadequate arrangements for regular health screening of staff may expose staff to unnecessary health risks.</p>	<p>Medical staff follow the UN rules for handling medical cases.</p> <p>UN introduced regular screening of staff.</p>	Governance	Possible	Medium	Moderate Risk
II	<b>Security of UN staff and installations</b>			Likely	High	Higher Risk
	<p>B(i). Separation of Security Services from UNON may result in unclear reporting lines, have weakened the perception of Security as a priority area of concern and therefore prevent effectiveness in managing the facility management elements of security.</p> <p>B(ii). Roles and responsibilities between UN Security, UNON Facilities Management and Commercial Operations Unit may be unclear with respect to controlling access to UN compound by contractors and their employees.</p> <p>B(iii) Inadequate management support to security procedures due to conflicting priorities (diplomatic/security) may result in security procedures not being properly implemented.</p> <p>B(iv) Lack of applicable standards and direction may lead to not securing the appropriate security level UN-wide and incohesive security response.</p>		Governance	Likely	High	Higher Risk

10	Focus Area: Safety and Security		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	C(i). Non compliance with access security procedures may result in increased security risk.		Compliance	Possible	High	Higher Risk
	D(i). With recent focus on security and the General Assembly's agreement to strengthen security and safety at the UN premises, UNON might not ensure economical and efficient procurement and project management.		Financial	Likely	High	Higher Risk
	<p>E(i). Limited screening capabilities at gates may result in unauthorized access of people and vehicles exposing organization to risk of malicious acts.</p> <p>E(ii). Limited access monitoring and tracking capability in office space may limit response capability in case of theft/accident or movement of assets.</p> <p>E(iii). Status of facilities and procedures for administration of armoury, firearms, ammunition and communication equipment can increase the risk of accidents and theft/misuse of equipment.</p> <p>E(iv). Limited external infrastructural provisions may prevent full compliance with minimum security measures (MOS) in 9 duty stations in Kenya increasing risk exposure for 600 mainly local staff members.</p> <p>E(v). Inadequate controls over release and return of UN plates for vehicles of staff members may pose safety and liability risks to staff members and/or to the organization.</p>	<p>CCTV, and electronic access under way, electronic monitoring system for patrols inside the compound as part of the PAC. IT post at the G6 level funded.</p> <p>SOP is in place.</p>	Operational	Likely	High	Higher Risk

10	Focus Area: Safety and Security			Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>E(vi). Inadequacy of current security arrangements in Nairobi and Kenya may expose staff members to assault, robberies and malicious acts</p> <p>E(vii). Current location of the Commissary at the heart of the compound may increase security risk as trucks delivering goods have access to the heart of the compound.</p> <p>E(viii). Limited pre-notice on conference events may affect capabilities of security to run participants background/ threat assessment exercise.</p>	<p>PAC to mitigate risk in the compound through installation upgrade/ new warden system to mitigate risk for staff in case of emergencies.</p> <p>Commissary being moved to the perimeter of the compound as part of the new Materials Handling Facility.</p> <p>List of participants is available at a late stage to perform due checks.</p>	Operational	Likely	High	Higher Risk

10	Focus Area: Safety and Security			Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>F(i). System upgrade (PAC) will increase the availability and use of technology in the compound and may increase demand for technical competence and assistance to ensure system reliability and effectiveness.</p> <p>F(ii). Inadequate criminal background checks for personnel employed by 3rd party contractors may expose UN staff and properties to risk of loss, damage and sabotage.</p> <p>F(iii). Contractors' staff, especially cleaning staff, have direct access to all offices daily. This may lead to their staff having access to UN sensitive documents. Leakage of clients' information may be blamed on UNON and cause loss of reputation.</p>	<p>Competent staff and training will be required to operate new equipment.</p> <p>Onus of controls on staff recruitment and supervision stays with contracted companies. This will be mitigated by introduction of CCTV.</p>	Human Resources	Likely	Medium	Higher Risk

10	Focus Area: Safety and Security		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
III	<b>Contingency planning and evaluation drills</b>			Likely	High	Higher Risk
	<p>E(i). Lack of a detailed, operationalized and tested (ready to use) evacuation plan may expose hundreds of staff members to life threat on occasion of adverse political or natural events.</p> <p>E(ii). Insufficient frequency of drills (performed randomly) and lack of reinforcement of initial security training at the induction stage may limit response capacity in case of an adverse event, including terrorist attack and fire.</p> <p>E(iii). Limited coordination of warden system may limit its efficiency in case of threat.</p> <p>E(iv). Limited external response capabilities (hospitals/police) in case of a major event may affect overall response capability.</p>	<p>SSS is running drills on a yearly basis. This year recently tested response of external partner to a simulated attack to staff transport at the main gates. First assessment of result positive and major weaknesses identified.</p>	Operational	Likely	High	Higher Risk
	F(i). Lack of an inventory of security / emergency skills possessed by staff may further prevent organizational response in case of threat/attack.	SSS has initiated the process asking all staff members to indicate whether they possess security/emergency critical skills.	Human Resources	Possible	High	Higher Risk

## **Focus Areas**

Focus areas are the key standard processes that are typically found in United Nations operations. These are categories established by the risk assessment framework to facilitate understanding and communicating common processes or functions within the Organization (common language). They are based on a categorization of objectives, using a hierarchy that begins with high-level objectives and then cascades down to objectives relevant to organizational units, functions, or business processes. The IAD risk assessment framework has identified eleven focus areas as follows:

- 1 Strategic Management and Governance
- 2 Financial Management
- 3 Human Resources Management
- 4 Procurement and Contract Administration
- 5 Logistics Management
- 6 Information Technology Management
- 7 Programme and Project Management
- 8 Conference and Documents Management
- 9 Property and Facilities Management
- 10 Safety and Security
- 11 Other areas (for areas not included in 1 to 10)

Each focus area may be broken down into sub-focus areas. Examples of sub-focus areas are listed below.

<b>No.</b>	<b>Focus Areas</b>	<b>Examples of Sub Focus areas relating to principal focus</b>
1	Strategic Management and Governance	Strategic planning and monitoring, Mandate and mission, Organizational structure and functions, Start up planning, Liquidation planning, Risk management, Policies and procedures, Governing/Legislative bodies, High level committees, Top level offices.
2	Financial Management	Accounting and financial reporting, Results-based Budgeting, Cash management, Treasury, Contributions, Fund raising, Payroll
3	Human Resources Management	Recruitment, Training, Conduct and discipline, Entitlements and allowances, Performance appraisal system and Medical Services, Use of short term staff (consultants, gratis personnel etc
4	Procurement and Contract Administration	Procurement planning, Procurement process, Local contracts committee, Administration of major contracts such as for fuel, rations, airfield services, medical supplies etc.
5	Logistics Management	Travel services, Transport operations, Air operations, Movement control, Fleet Management and Maintenance
6	Information Technology Management	Management of ICT infrastructure, software development, Communications services, ICT operations, Business continuity and disaster recovery, IT Security
7	Programme and Project Management	Management of programmes such as Rule of Law, Human Rights, Child Protection, Public Information, Disarmament , Demobilization and Reintegration, Mine action, Protection of Civilians, Military and Civilian Police operations, and Logistics; Management of projects such as technical cooperation and quick impact projects
8	Conference and Documents Management	Records management, Publications, Editorial services, Conference management, Translation and interpretation services, Web sites
9	Property and Facilities Management	Management of office premises and facilities, Contingent-owned equipment, Expendable and non-expendable property, Building Services, Inventory management, Local Property Service Board
10	Safety and Security	Security of UN staff and installations, Contingency planning, Evacuation procedures and drills, Occupational safety
11	Other areas	This is for illustration purposes only and is not a comprehensive audit and is included for any other focus areas not specified in 1-10. This may include general office administration, executive offices and common services etc.

## Risk Categories

Risk categories are common concerns or events, grouped together by the type of risk that will result. The seven (7) risks used in OIOS Risk Assessment methodology is as follows:

- A. Strategy
- B. Governance
- C. Compliance
- D. Financial
- E. Operational
- F. Human Resources
- G. Information Resources

No.	Risk Category	Description
A	Strategy	Impact on mandate, operations or reputation arising from inadequate strategic planning, adverse business decisions, improper implementation of decisions, a lack of responsiveness to changes to the external environment, or exposure to economic or other considerations that affect the Organization's mandates and objectives.
B	Governance	Impact on mandate, operations or reputation as a result of failure to establish appropriate processes and structures to inform, direct, manage and monitor the activities of the Organization toward the achievement of its objectives. Includes attributes such as leadership, tone at the top, and promotion of an ethical culture in the Organization.
C	Compliance	Impact on mandate, operations or reputation from violations or non-conformance with, or inability to comply with laws, rules, regulations, prescribed practices, policies and procedures, or ethical standards.
D	Financial	Impact on mandate, operations or reputation resulting from: failure to obtain sufficient funding, funds being inappropriately used, financial performance being not managed according to expectations, or financial results being inappropriately reported or disclosed.
E	Operational	Impact on mandate, operations or reputation resulting from inadequate, inefficient or failed internal processes that do not allow operations to be carried out economically, efficiently or effectively.
F	Human Resources	Impact on mandate, operations or reputation resulting from a failure to develop and implement appropriate human resources policies, procedures and practices to meet the Organization's needs.
G	Information Resources	Impact on mandate, operations or reputation resulting from failure to establish appropriate information and communication systems and infrastructure so as to efficiently and effectively.



## Risk Assessment Ratings

The OIOS Risk Assessment Framework evaluates the likelihood of the risk occurring and the impact it will have if it occurs.

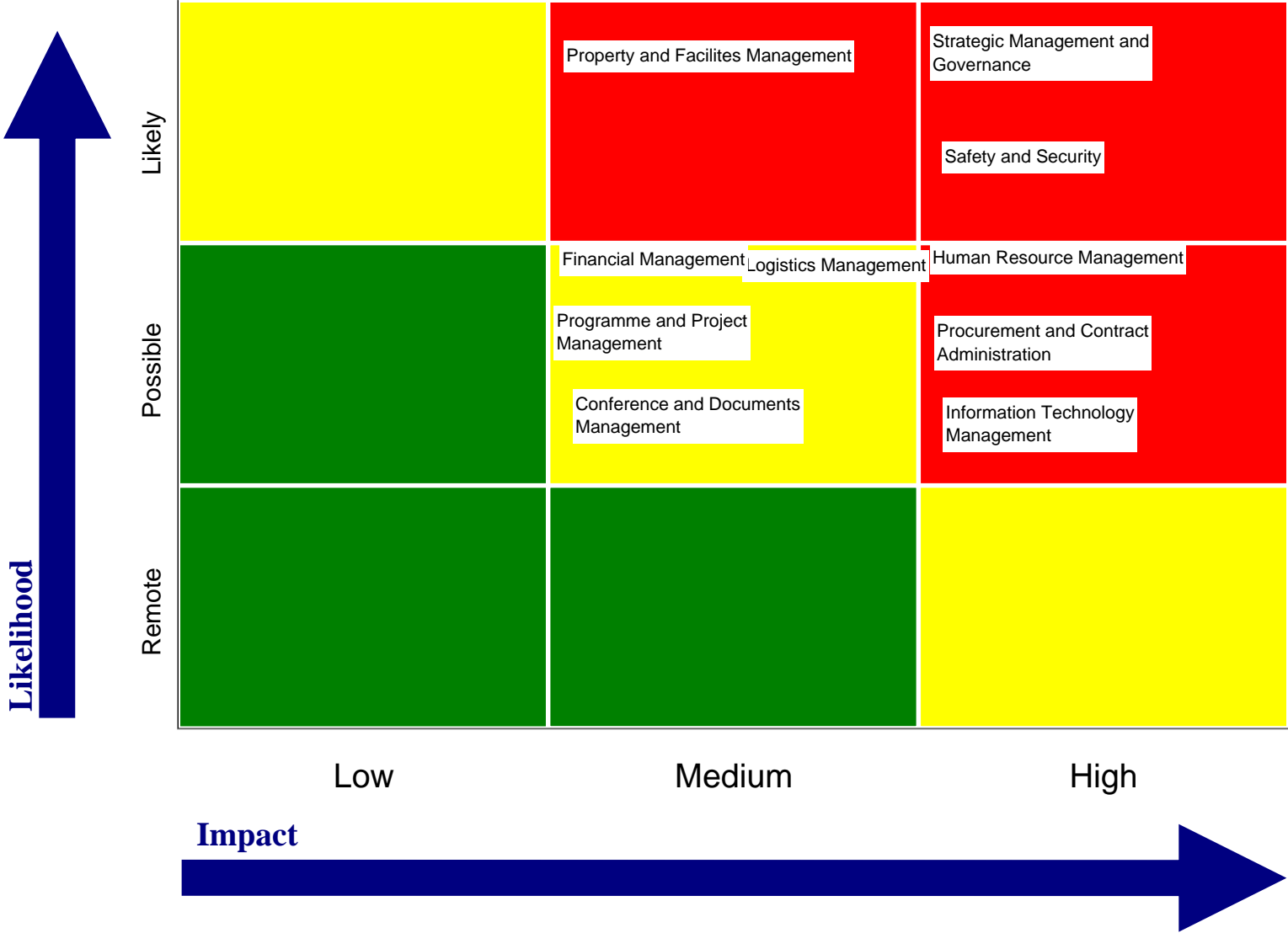
Based on the assessment of the two factors an overall risk rating is derived indicating whether the risk of a focus area is High, Moderate or Low. The ratings used is show below:

Risk Likelihood	
<b>Likely</b>	Conditions within our environment indicate that an event is expected to occur in most circumstances
<b>Possible</b>	Conditions within our enviroment indicate that an event will probably occur in many circumstances
<b>Remote</b>	Conditions within our environment indicate that an event may occur at some time

Risk Impact	
<b>High</b>	Serious impact on operation, reputation, or funding status
<b>Medium</b>	Significant impact on operations, reputation, or funding status
<b>Low</b>	Less significant impact on operations, reputation, or funding status

Overall Risk Combinations Impact and Likelihood	
<b>Higher Risk</b>	The identified issue represents the following likelihood and impact combinations: <ul style="list-style-type: none"> <li>Likely and high</li> <li>Likely and medium</li> <li>Possible and high</li> </ul>
<b>Moderate Risk</b>	The identified issue represents the following likelihood and impact combinations <ul style="list-style-type: none"> <li>Likely and low</li> <li>Possible and medium</li> <li>Remote and high</li> </ul>
<b>Lower Risk</b>	The identified issue represents the following likelihood and impact combinations <ul style="list-style-type: none"> <li>Possible and low</li> <li>Remote and low</li> <li>Remote and medium</li> </ul>

# RISK SUMMARY PROFILE (Focus Area)



## RISK SUMMARY PROFILE (Sub Focus Area)

