



INTERNAL AUDIT DIVISION

OFFICE OF INTERNAL OVERSIGHT SERVICES

RISK ASSESSMENT

**United Nations Convention to Combat
Desertification**

22/10/07

Assignment No. AA2007/242/01

United Nations  Nations Unies

INTEROFFICE MEMORANDUM

MEMORANDUM INTERIEUR

INTERNAL AUDIT DIVISION · DIVISION DE L'AUDIT INTERNE
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TO: Mr. Luc Gnacadja
A: Executive Secretary, UNCCD

DATE: 22 October 2007

REFERENCE: AUD-File no. (07-00450)


FROM: Dagfinn Knutsen, Director
DE: Internal Audit Division, OIOS

SUBJECT: **Assignment No. AA2007/242/01 - Risk Assessment of United Nations**
OBJET: **Convention to Combat Desertification**

1. I am pleased to present, for your information, OIOS' risk assessment of United Nations Convention to Combat Desertification (UNCCD), which was carried out in August 2007. While we do not require a formal response to this report, you are welcome to discuss any of the issues raised further.
2. OIOS encourages UNCCD to use the results of this risk assessment to put in place appropriate risk mitigation measures. OIOS will update the risk assessment periodically, based on subsequent audits or additional information obtained.
3. I take this opportunity to thank the management and staff involved in the risk assessment for the assistance and cooperation provided to the project team in connection with this assignment.

cc: Mr. Christopher Bagot, Acting Chief, Nairobi Audit Service
Mr. Frank Meek, Chief, Administration and Finance, UNCCD
Mr. Swatantra Goolsarran, Executive Secretary, UN Board of Auditors
Mr. Jonathan Childerley, Chief, Oversight Support Unit, Department of Management
Mr. Byung-Kun Min, Programme Officer, OIOS

INTERNAL AUDIT DIVISION

FUNCTION

“The Office shall, in accordance with the relevant provisions of the Financial Regulations and Rules of the United Nations examine, review and appraise the use of financial resources of the United Nations in order to guarantee the implementation of programmes and legislative mandates, ascertain compliance of programme managers with the financial and administrative regulations and rules, as well as with the approved recommendations of external oversight bodies, undertake management audits, reviews and surveys to improve the structure of the Organization and its responsiveness to the requirements of programmes and legislative mandates, and monitor the effectiveness of the systems of internal control of the Organization” (General Assembly Resolution 48/218 B).

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PARTICIPANTS

The OIOS risk assessment team conducted workshops and interviews with the following staff members of UNCCD, to gain an understanding of existing organizational relationships, risks, controls and process issues.

Focus Area	Name and Functional Title
Strategic Management and Governance	<ul style="list-style-type: none"> • Mr.Gregoire de Kalbermatten, Officer in Charge • Mr.Ndiaye Mansour, Special Assistant to Executive Secretary • Mr.Antonio Pires, Senior Advisor
Financial Management	<ul style="list-style-type: none"> • Mr.Frank Meek, Chief, Administration and Finance
Human Resources Management	<ul style="list-style-type: none"> • Mr.Frank Meek, Chief, Administration and Finance
Procurement and Contract Administration	<ul style="list-style-type: none"> • Mr.Frank Meek, Chief, Administration and Finance
Information Technology Management	<ul style="list-style-type: none"> • Mr.Rajeb Boulharouf, Coordinator, External Relations and Public Information Unit, • Mr.Tarun Wadhawan, Database Administrator, • Mr.Marcos Montoiro- Allue • Associate External Relations Officer • Ms.Katja Arapnakova, Librarian,
Logistics Management	<ul style="list-style-type: none"> • Mr.Frank Meek, Chief, Administration and Finance
Programme and Project Management	<ul style="list-style-type: none"> • Ms.David Elisabeth, Coordinator, Facilitation of Implementation and Coordination for Europe • Mr. Zelaya Sergio, Facilitation of Implementation and Coordination for Latin American Countries • Mr.Cisse Boubacar, Programme Officer, Africa • Mr.Zeng Rui, Coordinator, Facilitation of Implementation and Coordination for Asia. • Mr.Kopolo Goodspeed, Programme Officer, COPSUBLA
Conference and Documents Management	<ul style="list-style-type: none"> • Mr.Massimo Candelori, Coordinator, COPSUBLA
Property and Facilities Management	<ul style="list-style-type: none"> • Mr.Frank Meek, Chief, Administration and Finance
Safety and Security	<ul style="list-style-type: none"> • Mr.Frank Meek, Chief, Administration and Finance

SUMMARY OF RISK RATINGS

The risk assessment identified the following areas as Higher, Moderate and Lower Risk. A summary of the identified risks is shown below. Full details of the identified risks are listed in the Risk Register.

Focus Area	Overall Risk
i. Strategic Management and Governance ii. Financial Management iii. Logistics management	Higher Risk
i. Human Resources Management ii. Procurement and Contract Administration iii. Programme and Project Management iv. Safety and Security v. Information Technology vi. Conference and Documents Management	Moderate Risk
i. Properties and Facilities Management	Lower Risk

RISK REGISTER

Risk Assessment of : UNCCD

1	Focus Area:	Strategic Management and Governance	Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Likelihood	Impact	Overall Risk
I	<p>Mandate and mission</p> <p>B(i) Mandated functions and activities of the secretariat are not sufficiently clear, and, therefore, leave room for divergent interpretations, which in turn may dilute the effectiveness of the mandate as a blueprint for the organization's existence.</p> <p>B(ii) Expectations and perceptions of the Parties to the Convention on the role of the secretariat, differ to the extent that the secretariat may have difficulty in prioritising its activities.</p> <p>B(iii) The Parties may be unwilling to provide the technical and financial requirements to fulfill the mandates it has given to the secretariat.</p> <p>B(iv) Lack of consensus among and consistency in guidance and strategic direction provided by the Parties to the Convention may result in failed governance.</p>	<p>Review by the Joint Inspection Unit (JIU) highlighted several areas where the Parties had expressed conflicting perceptions on the role of the UNCCD Secretariat. The Secretariat has tried to clarify its role in its Follow up report on the JIU review and the 10-year Strategic plan and framework submitted for the approval of Conference of Parties (COP) at its 8th meeting.</p> <p>The Secretariat should be able to highlight the technical and financial requirements to fulfill its mandate to the Parties.</p>	Likely	High	Higher Risk
	<p>A(i) Affected country parties may not integrate UNCCD's objectives into their overall national developmental plans, which may marginalise the importance of UNCCD.</p>	<p>There is an appreciation that national priorities may have different perceptions about events, and that national priorities must be taken into account since no one size fits or suits all.</p>	Likely	Medium	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	<p>Strategic planning and monitoring</p> <p>A(i) The Results based Management (RBM) framework developed by the secretariat may not be approved and supported by the supreme legislative body Conference of Parties (COP), leaving the organisation without a strategic plan with measurable performance indicators.</p> <p>A(ii) The objectives in the strategic framework, if approved, may not be measurable, unrealistic and unattainable resulting in the public perception of UNCCD failing to reach its targets.</p> <p>A(iii) Lack of formal mechanism within UNCCD for managing risks associated with their functions and activities, may lead to inability to identify significant risks to the achievement of their objectives and ensuring effective risk mitigating controls are in place.</p> <p>A (iv) Failure to report comprehensively on the risks and challenges facing the secretariat in the implementation of its mandate, as well as the lessons learned, in the context of biannual reporting to the COP, may result in parties not being sufficiently informed on the realities of work of the organisation.</p>	<p>Management is committed to RBM. Draft 10 year strategic plan and framework prepared by Intergovernmental and Intercessional Working Group (IIWG) addresses crucial issues relating to strategic planning.</p>	Strategy	Possible	High	Higher Risk
	<p>A(iv) Lack of formalised strategy and guidelines for monitoring performance including separate self evaluations or external evaluations, which may not result in improving the effectiveness of the organisation.</p>					

1	Focus Area:	Strategic Management and Governance		Likely	High	Higher Risk
	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
No	B(i) Different units within UNCCD may not be adequately involved in the preparation of the strategic plans, which may not lead to the development of a comprehensive strategy. D(i) Developing strategies and plans using a results based approach may not be possible due to unpredictability of adequate funding, which could have serious impact on the operations.	Based on the IIV's report, secretariat is committed to involve all units in the development of comprehensive strategy. Parties insistence on zero growth budgets and freezing of posts in the previous Conference of Parties (COP) meeting.	Governance	Possible	Medium	Moderate Risk
III	Organisational Structure B(i) The current organizational structure may not be optimal, and may not reflect the current number and level of staff and the prioritization of tasks and activities, which may impact organisation's efficiency and effectiveness. F(i) Comprehensive workload analysis has not been carried out, which may result in uneven distribution of work and suboptimal operational efficiencies. F(ii) Poor morale of the staff in general due to current credibility problem of UNCCD, may result in low productivity of staff. E(i) There may be overlaps and duplications in the work conducted by different units/divisions, there by synergies between the different units/divisions may not be adequately pursued.	Draft ten year strategic plan and framework to enhance the implementation of the Convention, has proposals to improve organisational structure. Based on JIU's recommendation to have comprehensive desk load analysis, the Secretariat is planning to outsource this exercise to an independent agency. Draft ten year strategic plan and framework to enhance the implementation of the convention has proposals to promote synergies among different units in the secretariat.	Governance	Possible	Medium	Moderate Risk
			Financial	Likely	Medium	Higher Risk
				Possible	Medium	Moderate Risk
			Human Resources	Possible	Medium	Moderate Risk
			Operational	Possible	Medium	Moderate 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
IV	<p>Legislative bodies</p> <p>B(i) Meetings of the supreme legislative body (COP) been only once in two years may cause a legislative vacuum between the sessions, leaving no mechanism to guide or instruct UNCCD during the emergencies.</p> <p>B(ii) Micro managing of the secretariat by the COP may have an impact on the efficient performance of the organisation.</p>	<p>Secretary General appointed the new Executive Secretary after the resignation of the former Executive Secretary in June 2007. Pragmatic approach adopted by the present Officer In Charge to address the challenges facing the organisation needs to be continued.</p>	Governance	Possible	Medium	Moderate Risk

Risk Assessment of : UNCCD

2		Focus Area:	Financial Management		Possible	High	Higher Risk
No		Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
I	Accounting and Financial reporting	E (i) Official currency of the budget is US dollars, while most of the operational expenditures are in euros. Depreciation of US dollar currency versus the euro has resulted in financial losses which are critical to the organisation's operations.	The solutions to the problem have been hampered primarily by the incompatible accounting system (IMIS) which does not support transactions in currency in Euros. Secretariat has made a request to COP that budget be approved in euro to at least be able to match revenues and expenditures, and there by member states will pay assessments in euros.	Financial	Possible Likely	High High	Higher Risk Higher Risk
	D (i) Additional and sometimes complex accounting entries due to accounting with different currencies and exchange rate implications, may increase the likelihood of errors and result in financial statements not reflecting the true picture of the organisation's financial health. D (ii) Failure to acknowledge receipts in the financial statements may result in inaccurate reporting. D (iii) Reporting by the secretariat may not be sufficiently transparent in relation to budgetary and financial issues resulting in a loss of confidence by the Parties.	JIU report disclosed some Parties' dissatisfaction with the transparency of financial and budgetary reporting. BOA highlighted that voluntary contributions amounting to \$275,534 were not reflected in the financial statements as income.	Financial	Financial	Possible	High	Higher Risk
	F (i) Shortage of staff, especially qualified accountants at lower levels, increases the likelihood of errors in accounting and may result in financial statements not reflecting true picture of the organisation's financial health.	Finance Section is without a professional accountant and deputy chief of finance. Section is being managed by Chief of Finance and one finance assistant.	Human Resources	Human Resources	Possible	High	Higher Risk

2	Focus Area:	Financial Management		Possible	High	Higher Risk
No	<p>Interview/Review Summary (Description of risk)</p> <p>G(i) Not having financial reports in time when IMIS breaks down and also incompatibility of information technology packages including IMIS, databases which are not interfaced resulting in inefficiencies.</p>	<p>OIOS Assessment</p> <p>IMIS is supported and maintained in Geneva.</p>	<p>Risk Category</p> <p>Information Resources</p>	<p>Likelihood</p> <p>Remote</p>	<p>Impact</p> <p>Medium</p>	<p>Overall Risk</p> <p>Lower Risk</p>
II	<p>Contributions</p> <p>D (i) Inability to collect outstanding contributions from the Parties to the Convention, especially from the major donors may have serious impact on financial position of the organisation.</p> <p>D(ii) Lack of timely, adequate and predictable financial income from contributions, may have an impact on overall programme planning and management as well as staff morale.</p> <p>D (iii) Heavy reliance on unpredictable voluntary contributions, especially in US Dollars, to fund the secretariat's substantive work, may result in frequent readjustments to the work plan.</p> <p>D(iv) The lack of a clear financial commitments to UNCCD by the developed country Parties, may have negative impacts on the financial health and human resources of the organisation.</p>	<p>Status of outstanding contributions to the core budget is placed on UNCCD website. Periodic follow ups in the form of letters and telephone calls to the concerned countries have not yielded desired results.</p>	<p>Financial</p>	<p>Likely</p> <p>Likely</p>	<p>High</p> <p>High</p>	<p>Higher Risk</p> <p>Higher Risk</p>
	<p>B(i) Perceiving the assessments for the core budget as a voluntary contribution by the major contributors, may lead to the risk of not paying assessments on time resulting in financial problems to the organisation.</p>	<p>Some of the major contributors have not paid the assessments for the last three years causing heavy financial burden to the secretariat.</p>	<p>Governance</p>	<p>Possible</p>	<p>Medium</p>	<p>Moderate Risk</p>

2	Focus Area:	Financial Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
III	<p>Fund raising</p> <p>B(i) The Global Mechanism, a subsidiary body of UNCCD, to facilitate the mobilisation of resources may not have an incentive to cooperate with UNCCD which could lead to inconsistencies in approaches with consequent waste of funds.</p> <p>B(ii) There may not be a clear distinction between the functions, responsibilities and activities of the Secretariat and those of the Global Mechanism, resulting in poor and unclear budgetary and reporting relationships.</p>	<p>GM, although a subsidiary body of UNCCD, is more aligned to International Fund for Agricultural Development (IFAD), than to UNCCD. Although Executive Secretary is responsible for submission of GM's budget proposals along with UNCCD's to the COP, he has no authority to review or modify these proposals.</p> <p>The draft 10-year strategic plan and framework has attempted to clarify the roles of both the GM and UNCCD.</p>	Governance	Possible Likely	High Medium	Higher Risk Higher Risk
	A(i) Lack of comprehensive fund raising strategy in the organisation may result in losing credibility among the donors and may lose funding.	Facilitation and Coordination units in the secretariat raise funds on a bilateral basis for specific projects. These activities are not coordinated.	Strategy	Possible	Medium	Moderate Risk

Risk Assessment of : UNCCCD

3	Focus Area:	Human Resource Management		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
I	<p>Human Resources activities</p> <p>F(i) High vacancy rates of approximately 10% out of total staff of 50 and poorly defined structures in UNCCCD could lead to the excessive workload on the existing staff and may result in impairing achievement of UNCCCD's mandate.</p> <p>F(ii) Manpower of the human resources unit consists of one general service staff without any professional, resulting in providing inadequate services to the organisation.</p> <p>F(iii) High turnover of staff due to bad financial situation may result in heavy work on the available staff.</p> <p>F(iv) Response to the vacancy announcements may be poor, due to negative publicity which may lead to not recruiting the best candidate or professional for the job.</p>	<p>JIU noted that 43 percent of the professional posts were at the level of P-5 and above, with 35 percent at P-5 alone.</p> <p>However, some HR issues are being addressed in UNCCD's draft ten year strategic plan and framework to enhance the implementation of the Convention. Many of the HR risks can be traced to the prevailing poor financial situation. Retention of qualified and trained staff is difficult in the absence of promotional opportunities, moreover, other rich conventions in Bonn are attracting the trained staff from UNCCD.</p>	Human Resources	Possible	High	Moderate Risk Higher Risk
	A(i) Lack of comprehensive human resources strategy as recommended by BOA may result in low productivity and inefficiencies.	Due to unpredictability of funds, UNCCD may not be able to come up with comprehensive human resource strategy.	Strategy	Possible	Medium	Moderate Risk
	E(i) Administrative support, in terms of processing of entitlements and allowances, provided by the United Nations Office in Geneva (UNOG), may be slow, not timely and may result in low staff morale and motivation.	Periodic liaison meetings with UNOG and UNCCD representatives posted in Geneva.	Operational	Possible	Medium	Moderate Risk

3	Focus Area:	Human Resource Management		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>C(i) Short term consultants may be used to perform the core functions, due to acute shortage of staff, may result in noncompliance with UN rules on the subject.</p> <p>C(ii) Poor representation of women in the UNCCD, may send a wrong message of non compliance with UN General Assembly resolutions.</p> <p>C(iii) Filling of established positions with the short term staff, will result in regular checks being bypassed, such as gender and nationality representation</p>	<p>Based on the comments of JIU, Secretariat is reviewing this area. However, the Secretariat do not have necessary resources to fund the previously approved level of regular posts.</p>	Compliance	Possible	Medium	Moderate Risk
	F(i) Selection of consultants may not be on a competitive basis resulting in recruiting less qualified consultants.	Parties funding the specific programmes/projects will normally insist on having their recommended consultants.	Human Resources	Possible	Medium	Moderate Risk
	<p>B(i) Classification of posts may not be updated to ensure effective organisational structure.</p> <p>B(ii) Imbalances in representation of nationalities may give a perception that UNCCD is not respecting UN core value of cultural diversity.</p>	<p>Some HR issues are being addressed in UNCCD's draft ten year strategic plan and framework to enhance the implementation of the Convention.</p>	Governance	Possible	High	Higher Risk
	F(vi) Lack of resources to fund the training activities may leave staff unable to update their skills.	Insufficient financial resources are a reality in the UNCCD.	Financial	Likely	Medium	Higher Risk

Risk Assessment of : UNCCCD

4	Focus Area:	Procurement and Contract Administration	Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Likeli- hood	Impact	Overall Risk
I	<p>Procurement unit in Administration</p> <p>E(i) Lack of comprehensive procurement planning may result in wasteful expenditure.</p> <p>E(ii) Specifications may not be generic which may result in uneconomical purchases.</p> <p>E(iii) No documented mechanism on the transfer of procurement function to the sister convention in Bonn (UNFCCC) may result in inefficiencies and confusion.</p> <p>E(iv) Lack of control over the procurement support provided by the outside organisation may expose UNCCCD to the risk of possible waste of financial resources.</p> <p>E(v) Lack of adequate policies and procedures may result in fraud and irregularities in the procurement process.</p>	<p>Procurement plan for IT equipment which is a major expenditure exists.</p> <p>UNFCCC provides procurement support to UNCCCD on the basis of the written agreement signed by the both the parties.</p> <p>Specifications and technical evaluation of bids is carried out by UNCCD.</p> <p>However, total value of procurement is low.</p>	<p>Possible</p> <p>Possible</p>	<p>Medium</p> <p>Medium</p>	<p>Moderate Risk</p> <p>Moderate Risk</p>
	<p>C(i) Technical evaluations and evaluation of bids may not be carried out in accordance with procurement rules and policies, could result in waste and ineffectiveness.</p> <p>C(ii) Procurement officers may enter into contracts outside of the specified policies and procedures for e.g with non approved UN vendors so as to receive personal gains.</p>	<p>Procurement manual, warranties on goods, bonds, penalties, work with legal advisor, Guidelines from the Controller.</p>	<p>Possible</p>	<p>Medium</p>	<p>Moderate Risk</p>

Risk Assessment of : UNCCD

5	Focus Area:	Logistics Management		Likely	Medium	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
I	<p>Travel activities</p> <p>F(i) Inadequate staffing resources to provide services to many travel requests, leads to overworking. Delays could result in waste of resources and inefficiencies.</p>	<p>One travel assistant providing the services, however, travel arrangements are done through authorised travel agents located in the office premises.</p>	<p>Operational Human Resources</p>	<p>Likely Possible</p>	<p>Medium Medium</p>	<p>Higher Risk Moderate Risk</p>
	<p>D(i) Multiple funding sources for travel could lead to lack of transparency and improper accounting.</p> <p>D(ii) Travel claims may not be submitted on time after the travel resulting in heavy outstanding travel advances in the financial statements.</p>	<p>BOA commented on heavy outstanding travel advances pending for a long time.</p>	<p>Financial</p>	<p>Possible</p>	<p>High</p>	<p>Higher Risk</p>

5	Focus Area:	Logistics Management	Likely	Medium	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Likelihood	Impact	Overall Risk
	<p>E(i) Travel arrangements done by the authorised travel agents may not be scrutinised for the best value for money resulting in waste.</p> <p>E(ii) Avoidable and unnecessary travel without proper justification leading to waste of resources.</p> <p>E(iii) Travel arrangements to attend the Conference of Parties (COP) may not be planned well in advance leading to wasteful expenditure.</p> <p>E(iv) Internal controls in the payment of DSA to the large participants of the conference may be inadequate leading to double and erroneous payments.</p> <p>E(v) There may not be a competitive process in the selection of authorised travel agent for UNCCD resulting in possible misuse of funds.</p> <p>E(vi) Internal controls in the use of participation fund may be inadequate leading to the possible misuse.</p> <p>E(vii) Detailed accounts of travel expenditure may not be maintained leading to the lack of transparency.</p>	<p>Almost entire secretariat moves to the venue during the COP. Extrabudgetary funds like Participation fund (about 1.3 million) are not subjected to much of scrutiny. Payment of DSA to the participants of the convention is normally arranged through the bank. DSA payments are made as per official DSA rates. UNCCD is required to submit detailed auditable accounts to the host Government.</p>	Possible	High	Higher Risk

Risk Assessment of: UNCCCD

6	Focus Area:	Information Technology Management		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
I	IT Activities			Possible	Medium	Moderate Risk
	G(i) Lack of adequate and effective IT infrastructure and insufficient financial and human resources may have a negative impact on support delivery of its mandate.	UNCCCD is in a process of upgrading its IT equipment subject to approval of the budget by the COP. Occasional disruptions to the email network in the secretariat are common due to inadequate human and financial resources.	Financial	Likely	Medium	Higher Risk
	B(i) Lack of clarity in authority and responsibility for coordinating, documenting and reporting on IT matters leading to management inefficiencies. B(ii) There may not be established IT committees in the lines of Information and Communications technology Board (ICTB) resulting in lack of proper oversight on IT activities.	UNCCCD constituted a taskforce to establish the level and nature of IT services required, the level of resources required, and how these services should be delivered, which should also consider outsourcing. Based on the OIOS recommendation on the subject, UNCCCD constituted an Internal Management Committee to oversee the IT activities.	Governance	Possible	Medium	Moderate Risk
	A(i) Long term IT strategy incorporating the elements of United Nations IT strategy may not be created, which will have an impact on IT Governance.	Based on the OIOS recommendation on the subject, UNCCCD prepared a comprehensive IT strategy.	Strategy	Remote	Medium	Lower Risk

6	Focus Area:	Information Technology Management	Risk Category	Possible Likelihood	Medium Impact	Moderate Risk
No	<p>Interview/Review Summary (Description of risk)</p> <p>E(i) There may not be long and short term plans detailing various activities to meet the IT strategy, resulting in IT needs not being satisfied.</p> <p>E(ii) Lack of documented policies and procedures resulting in inadequate monitoring of IT activities.</p> <p>E(iii) UNCCD's internal document "Service Level Initiative", which provides the basis for establishing a service standard may not be formally adopted by UNCCD's management causing lack of agreement on performance indicators for monitoring delivery.</p> <p>E(iv) Absence of a business continuity plan may not provide assurance that IT resources are properly protected.</p> <p>E(v) Lack of complete and accurate inventory of IT assets may lead to misuse and possibility of fraud.</p> <p>E(vi) Absence of documented asset management policy clarifying the roles of the units dealing with control and management of IT assets.</p> <p>E(vii) Lack of IT asset replacement and disposal policy could lead to ineffective inventory management</p>	<p>OIOS Assessment</p> <p>Based on the OIOS recommendation on the subject,</p> <p>UNCCD has put in place long term and short term plans, UNCCD documented IT policies and procedures, established user requirements and also in the process of preparing formal work plans, in a process of preparing the business continuity plan.</p> <p>UNCCD IT group is in the process of testing a newly developed online inventory system for use.</p>	Operational	Remote	Medium	Overall Risk
Lower Risk						

6	Focus Area:	Information Technology Management	Risk Category	Possible Likelihood	Medium Impact	Moderate Risk
No	<p>Interview/Review Summary (Description of risk)</p> <p>F(i) Use of IT staff on short term contracts (under General Temporary Assistance) to carry out work of a permanent nature resulting in noncompliance with budgetary policy.</p> <p>F(ii) Improper use of Electronic Performance Appraisal System (e-PAS) may result in ineffective evaluation of staff performance.</p> <p>F(iii) Severe shortage IT staff at appropriate levels, without any back up, to run the operations, may result in shut down of IT operations.</p>	<p>OIOS Assessment</p> <p>UNCCD has submitted proposal to regularise the short term IT staff to the COP.</p> <p>Hard copy of PAS is still in use.</p> <p>Entire IT operations of UNCCD including providing IT support to COP meetings are managed by only one professional staff at the level of P-2. In case, he leaves the organisation, there is no one to run the IT operations.</p>	Human Resources	Likely	High	Higher Risk
	<p>G(i) Documented mechanism to record, analyse and report types of request, may not be available to assess the performance of IT help desk activities.</p> <p>G(ii) Documented IT system development policy and procedure may not exist, which may lead to the development of inadequate IT applications</p>	<p>Based on the OIOS recommendation on the subject, UNCCD developed a procedure to report IT problems through its intranet, which would facilitate easier tracking of helpdesk requests and established system development policy.</p>	Information Resources	Remote	Medium	Lower Risk

Risk Assessment of : UNCCCD

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
I	<p>Facilitation and Coordination activities</p> <p>B(i) Freezing of a post of Principal Coordinator who oversee the work of four regional facilitation units may have an adverse effect on sense of direction.</p> <p>B(ii) Downgrading of a high level national coordination body to oversee issues related to desertification to the focal points at junior levels in the national ministries, could reflect the loss of interest on the subject by the Parties of the Convention.</p> <p>B(iii) Focal points in the ministries of the national governments may not have the required level of developmental, scientific, environmental and economic knowledge and understanding on the issues relating to desertification, which could lead to lack of focus on the issue by the Parties.</p> <p>B(iv) Frequent rotation of the focal points needing re-education by facilitation units which may result in loss of institutional memory.</p> <p>B(v) As the Convention is a cross sectional covering both developmental and environmental issues, focal points may be spread out in different ministries and institutions and the focal points may not have the</p>	<p>Conference of Parties (COP) decided in the last meeting to freeze funding of more than 12 approved posts.</p> <p>Unclear mandate, divergent views on the mandate by the different Parties. Support to the Convention by the Developed countries is waning, which is often reflected in the quality of focal points.</p>	Governance	Possible Likely	Medium Medium	Moderate Risk Higher Risk	

7	Focus Area:	Programme and Project Management	Risk Category	Possible Likelihood	Medium Impact	Moderate Risk
No	<p>Interview/Review Summary (Description of risk)</p> <p>status, influence and outreach to fulfill the work.</p> <p>B(vi) Facilitation and Coordination units may not be involved in the areas of strategic planning, initiatives and related adhoc panels by the management which could to lead low staff morale.</p> <p>B(vii) Insufficient coordination with other programmes in the secretariat like COPSUBLA could lead to duplication of efforts.</p> <p>F(i) Lack of adequate staffing in the facilitation and Coordination Units resulting in inadequate resources to carry out mandated activities.</p> <p>F(ii) Lack of feeling of recognition especially of the work of facilitation and coordination units, may result in poor motivation and low morale of the staff.</p>	<p>OIOS Assessment</p>	<p>Risk Category</p>	<p>Likelihood</p>	<p>Impact</p>	<p>Overall Risk</p>
		<p>Staff dealing with facilitation and coordination activities expressed their feeling of non recognition of their work in the risk assessment workshop.</p>	<p>Human Resources</p>	<p>Possible</p>	<p>Medium</p>	<p>Moderate Risk</p>

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
II	Committee on Science and Technology			Governance	Possible	Medium	Moderate Risk
	<p>B(i) Duration of meetings of the CST may be less for the deliberations of scientific matters relating to combating desertification and mitigating the effects of drought, which may have an impact on the effectiveness of the committee.</p> <p>B(ii) Meetings of the CST in conjunction with the sessions of the COP, may pose a risk of COP not fully assimilating the deliberations of the CST in its decisions.</p> <p>B(iii) Parties may nominate experts to the CST who do not have relevant experience in the field, which may dilute the effectiveness of the committee.</p> <p>B(iv) Lack of interaction among the national focal points of sister convention may lead to not achieving the synergies.</p> <p>B(v) Terms of reference for the adhoc panels supporting the CST may be vague without a clear focus.</p>	<p>Draft 10 year strategic plan and framework proposes to enhance the role of CST as a crucial substantive support to the Convention. However, issues like nomination of qualified persons to the CST by the Parties is beyond the control of UNCCD Secretariat.</p>					
	F(i) Secretariat supporting the CST may not have adequate resources to fulfill its mandate.	Secretariat staff supporting the CST consists of one professional staff (P-5), one Associate Expert and a General Service staff person, which is inadequate.		Human Resources	Possible	Medium	Moderate Risk
	C(i) Roster of technical experts maintained by the CST may lack gender and geographical representations, resulting in non compliance with General Assembly resolutions.	It is beyond the control of the secretariat because experts are nominated by the Parties.		Compliance	Possible	Medium	Moderate Risk

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
	G(i) Lack of information strategy to disseminate the science and technology information to the public and concerned parties.	Group of experts constituted by the CST came with the idea of web based Themanet.	Information Resources	Remote	Medium	Lower Risk
	E(i) Feedback to the CST on science and technology projects in the form of national reports, may be inadequate which may have an impact on the future decision making.	Secretariat of UNCCD can only request the Parties to provide for regular feedback about CST projects in their countries.	Operational	Possible	Medium	Moderate Risk

Risk Assessment of : UNCCCD

8	Focus Area:	Conference and Documents Management	Remote	High	Moderate Risk
	Interview/Review Summary (Description of risk)	OIOS Assessment	Likelihood	Impact	Overall Risk
No	Substantive support to the COP, its Subsidiary bodies & Legal advice activities		Possible	Medium	Moderate Risk
	<p>B(i) Host country agreement with the Government may not be comprehensive covering all areas resulting in inadequate arrangements for the conference.</p> <p>B(ii) Decision to remove substantive functions by separating Committee on Science and Technology (CST) from COPSUBLA may result in inefficiencies and ineffectiveness.</p>	<p>Written agreement with the host Government exists.</p> <p>The secretariat is seeking to enhance the role of CST by providing the independent status. Possibility of overlapping and duplication exists.</p>	Possible	Medium	Moderate Risk
		Risk Category			
		Governance			

8	Focus Area:	Conference and Documents Management	Risk Category	Remote	High	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Operational	Likelihood	Impact	Overall Risk
	<p>E(i) Risk of not making documents on time for the meetings may have negative impact on the reputation of UNCCD secretariat because it's the core role of the secretariat.</p> <p>E(ii) Multiple roles of unit, including substantive and logistic support to the COP in addition to providing the legal advice could lead to duplication of work and inefficiencies.</p> <p>E(iii) Programme Officer(P2) post in Rome under COPSUBLA to maintain relations with Rome-based UN organizations and Italian Government may not be useful and could lead to conflict with the External Relations unit functions.</p> <p>E(iv) Quality of reports from the countries may be of inadequate quality resulting in additional workload on the limited staff to edit the reports.</p> <p>E(v) Use of short term external staff employed to edit national reports, may result in confidentiality issues and low quality work.</p> <p>E(vi) Translation services provided by UNOG may not be timely and adequate, which could have a risk on the reputation of the secretariat.</p>	<p>JIU acknowledges the good work done by COPSUBLA. UNOG provides administrative support services to the UNCCD, including the support to the conference services in terms of translation services etc.</p> <p>Facilitation units often perceive encroachment into their substantive work by COPSUBLA</p> <p>Italy is the 2nd major donor of UNCCD. Global Mechanism and IFAD , FAO (scientific issues) are also based in Rome.</p> <p>Use of short term staff to edit the reports</p> <p>Secretariat chooses to use short term staff to edit the reports due to shortage of staff.</p>	Operational	Remote	High	Moderate Risk

8	Focus Area:	Conference and Documents Management		Remote	High	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>F(i) COPSUBLA unit may be seriously under-staffed especially during the sessions which is a risk to performance and quality.</p> <p>F(ii) Frequent change of staff between two COP meetings in two years, resulting in lack of consistency and possible ineffectiveness.</p>	<p>Recently, staff turn over has been high in the secretariat.</p>	Human Resources	Remote	Medium	Lower Risk
	D(i) Irregular and uncertain funding situation may result in improper planning and inadequate scheduling of conference activities.	UNCCD funding is erratic and uncertain.	Financial	Possible	Medium	Moderate Risk

Risk Assessment of : UNCCCD

9	Focus Area:	Property and Facilities Management		Possible	Low	Lower Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
I	<p>Asset Management Unit in the Administration</p> <p>E(i) Inventory of assets classified into expendables and non expendables may not be maintained, which could result in inaccurate reporting in the financial statements.</p> <p>E(ii) Inventory could go missing when paper work is not processed on a timely basis and could lead to losses.</p>	<p>BOA commented on lack of inventory records, however, value of the inventory and level of activity are low.</p>	Operational	Possible	Low	Lower Risk
				Possible	Low	Lower Risk

Risk Assessment of : UNCCCD

10	Focus Area:	Safety and Security		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
I	<p>Security unit under Common Services Unit</p> <p>B(i) In the absence of United Nations Office in Bonn, sharing of responsibility and costs of safety and security among different UN agencies may lead to confusion and lack of unified direction.</p>	<p>A Premises Management Committee, comprised of representatives from the various UN organizations exists, however, execution is done by one group within UN Volunteers, and the attention given to security matters is dependent upon UNV's level of effort. UNHQ did not see the need to allocate additional UN security staff to UNBONN, a non-headquarters location with about 500 UN staff, nor have funds been allocated by UNHQ to cover increasing security requirements established by UNDSS.</p>	Strategy	Possible	Medium	Moderate Risk
	<p>F(i) Inadequate staffing resources in the security section may result in the inability to provide desired level of confidence about the safety of the staff members.</p> <p>F(ii) Safety and Security staff posted in Bonn may not be fully equipped to implement the policies of the Department of Safety and Security.</p>	<p>Only two permanent security assistants without weapons, plus sub-contracted security company staff to provide security to the 500 UN staff.</p> <p>Training of security staff by the DSS is inadequate.</p>	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.

No.	Focus Areas	Examples of Sub Focus areas relating to principal focus
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

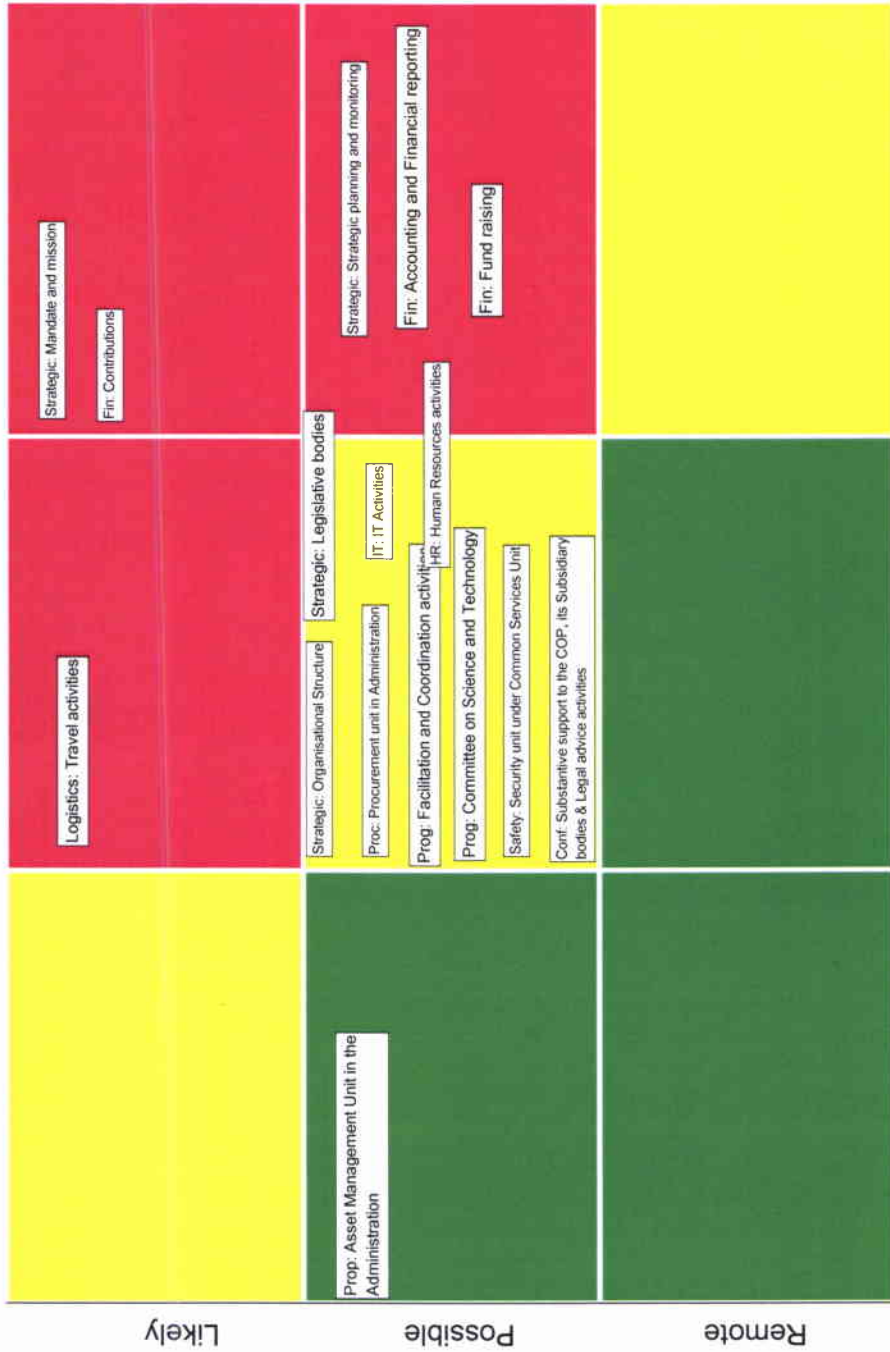
The OIOS Risk Assessment Framework evaluates the likelihood of the risk occurring and the impact it will have if it occurs. Based on the assessment of the two factors an overall risk rating is derived indicating whether the risk of a focus area is High, Moderate or Low. The ratings used is show below:

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

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

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

RISK SUMMARY PROFILE (Sub Focus Area)



Likelihood ↑

Low Medium High

Impact →