



OIOS

Office of Internal Oversight Services

INTERNAL AUDIT DIVISION

RISK ASSESSMENT

**United Nations High Commissioner for
Refugees (UNHCR)**

17 October 2008

Assignment No. AR2007/160/07

United Nations  Nations Unies

INTEROFFICE MEMORANDUM

MEMORANDUM INTERIEUR

INTERNAL AUDIT DIVISION DIVISION DE L'AUDIT INTERNE

OFFICE OF INTERNAL OVERSIGHT SERVICES BUREAU DES SERVICES DE CONTRÔLE INTERNE

TO: Mr. L. Craig Johnstone, Deputy High Commissioner

DATE: 17 October 2008

A: UNHCR

REFERENCE: IAD: 08- 01863

FROM: Dagfinn Knutsen, Director

DE: Internal Audit Division, OIOS



SUBJECT: **Assignment No. 2007/160/07 - Risk Assessment of UNHCR**

OBJET:

1. I am pleased to present OIOS' risk assessment of the United Nations High Commissioner for Refugees (UNHCR) for your information. 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 UNHCR 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. Swatantra Goolsarran, Executive Secretary, UN Board of Auditors
Ms. Maria Gomez Troncoso, Officer-in-Charge, Joint Inspection Unit Secretariat
Ms. Christina Post, Chief, Oversight Support Unit, Department of Management
Mr. Byung-Kun Min, Programme Officer, OIOS
Ms. Karen Farkas, Controller and Director, DFAM, UNHCR
Mr. Anders Hjertstrand, Chief, Geneva Audit Services

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).

CONTACT INFORMATION

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PARTICIPANTS

OIOS, in preparing this risk assessment, relied on documentation received on the UNHCR risk assessment carried out in 2005 by PriceWaterhouseCoopers. In addition, the OIOS risk assessment team conducted between 2006 and 2008 workshops and interviews with the following staff members of UNHCR, to gain a more comprehensive and up-to-date understanding of existing organizational relationships, risks, controls and process issues:

Table 1: List of participants

Focus Area	Name and Functional Title (at the time of the interview)
Strategic Management and Governance	<ul style="list-style-type: none"> • L. Craig Johnstone, Deputy High Commissioner • Erika Feller, Assistant High Commissioner - Protection • Judy Cheng-Hopkins, Assistant High Commissioner - Operations • Karen Farkas, Controller and Director, Division of Financial and Administrative Management • Radhouane Nouicer, Director, Bureau for Middle East and North Africa • Pirkko Kourula, Director, Bureau for Europe • Mengesha Kebede, Deputy Director, Bureau for Africa • Ursula Aboubacar, Deputy Director, Bureau for Middle East and North Africa • Janet Lim, Director, Bureau for Asia and the Pacific • Udo Janz, Deputy Director, Bureau for Europe • Eva Demant, Deputy Director, Bureau for the Americas • Francois Reybet-Degat, Senior Policy Advisor, Division of Financial and Administrative Management • Neimah Warsame, Regional Support Hub Manager, Regional Support Hub Kenya • Craig Sanders, Deputy Representative, Sudan • Michael Dudley, Head, Investigation Unit • Ron Redmond, Head, Media

Focus Area	Name and Functional Title (at the time of the interview)
	<p>Relations and Public Information Service</p> <ul style="list-style-type: none"> • Anne-Marie Kerrigan, NGO Liaison Unit • Helmut Buss, Chief, Legal Affairs Section • Raymond Hall, Change Management Coordinator, Change Management Section
Financial Management	<ul style="list-style-type: none"> • Colin Mitchell, Controller and Director, Division of Financial and Administrative Management • Urisa Reungsuwan, Assistant Representative - Administration, Sudan • Robert Tibagwa, Senior Regional Global Finance Officer, Regional Support Hub Kenya • Ejigayhu Gebre Egziabher, Admin/Finance Officer, Regional Support Hub Kenya • Pierre Njouyep, Senior Admin Officer, Democratic Republic of Congo
Human Resource Management	<ul style="list-style-type: none"> • Merida Morales-O'Donnell, Director, Division of Human Resources Management • Tarik Kurdi Ibrahim Hassan, Deputy Director, Division of Human Resources Management • Daisy Buruku, Chief, Staff Development Section • Christine Mougne, Mediator • Mohamed Toure, Chairperson, Staff Council • Helmut Buss, Chief, Legal Affairs Section • Neimah Warsame, Regional Support Hub Manager, Regional Support Hub Kenya • Craig Sanders, Deputy Representative, Sudan • Urisa Reungsuwan, Assistant Representative - Administration, Sudan • Yagoda Ungaro, Senior Regional Global Staff Welfare Officer, Regional Support Hub Kenya

Focus Area	Name and Functional Title (at the time of the interview)
Procurement and Contract Administration	<ul style="list-style-type: none"> • Peter De Clercq, Head of Service, Supply Chain Management Support • Van To Nguyen, Chief, Procurement and Contract Section • Helmut Buss, Chief, Legal Affairs Section • Douglas Osmond, Senior Regional Global Supply Officer, Regional Support Hub Kenya • Gasper Buni, Associate Regional Global Supply Officer, Regional Support Hub Kenya
Logistics Management	<ul style="list-style-type: none"> • Peter De Clercq, Head of Service, Supply Chain Management Support • Adbi Egeh, Chief of Logistics • Douglas Osmond, Senior Regional Global Supply Officer, Regional Support Hub Kenya • Gasper Buni, Associate Regional Global Supply Officer, Regional Support Hub Kenya
Information Technology Management	<ul style="list-style-type: none"> • Ian Bennett, Chief, BSS Systems Management, Division of Information Systems and Telecommunications • Mbavu Tshilombo, Senior Regional Global Telecommunications Officer, Regional Support Hub Kenya • Yogendra Joshi, Senior Regional Global Telecommunications Officer, Regional Support Hub Kenya • Roger Naylor, Senior Regional Global Information Technology Officer, Regional Support Hub Kenya
Programme and Project Management	<ul style="list-style-type: none"> • Radhouane Nouicer, Director, Bureau for Middle East and North Africa • Pirkko Kourula, Director, Bureau for Europe • Vincent Cochetel, Resettlement Service • Arnauld Akodjenou, Director, Division of Operational Support

Focus Area	Name and Functional Title (at the time of the interview)
	<ul style="list-style-type: none"> • Daniel Endres, Deputy Director, Emergency & Technical Support • Emile Seghbor, Representative, Sierra Leone • Roberto Meier, Representative, Colombia • Soussoukpo Eusebe Hounsokou, Representative, Democratic Republic of Congo • Antonio Canhandula, Deputy Representative - Operations, Democratic Republic of Congo • Ralf Gruenert, Deputy Representative-Protection, Democratic Republic of Congo • Laura Lo Castro, Senior Programme Officer, Democratic Republic of Congo • Sakor Yohondamkoul, Programme Officer, Democratic Republic of Congo • Neimah Warsame, Regional Support Hub Manager, Regional Support Hub Kenya • Craig Sanders, Deputy Representative, Sudan • Penninah Munoru Justus, Assistant Representative - Operations, Sudan • Diane Goodman, Assistant Representative - Protection, Sudan • Kristine Hambrouck, Senior Programme Officer, Sudan • George Woode, Programme Officer, Sudan • Yasir Masud, Associate Project Control Officer, Sudan • Selwa Amir, Associate Programme Officer, Sudan • Lucie Quesada, Supply Officer, Sudan • Hassan Abbas, Senior Supply Clerk, Sudan • Deus Gakuba, Associate Supply Officer, Sudan • Indu Mohandas, Senior Protection Officer, Sudan • Mariacristina Mulas, Resettlement Officer, Sudan

Focus Area	Name and Functional Title (at the time of the interview)
	<ul style="list-style-type: none"> • Margriet Veenma, Senior Community Services Officer, Sudan • Elisabetta Brumat, Protection Officer, Sudan • Jacqueline Awino, Associate Protection Officer, Sudan • Joseph Chege, Associate Registration Officer, Sudan • Daniela Cicchella, Senior Regional Global Resettlement Officer, Regional Support Hub Kenya • May Fong Choong, Regional Global Resettlement Officer, Regional Support Hub Kenya • Sandrine Peillon, Regional Global Resettlement Officer, Regional Support Hub Kenya • Markus Topp, Regional Resettlement Officer, Regional Support Hub Kenya • Anita Vardoy, Resettlement Officer, Regional Support Hub Kenya • Lynn Ngugi Neto, Senior Regional Global Adviser - Refugee Women and Children, Regional Support Hub Kenya • Patterson Njogu, Senior Regional Global HIV/AIDS Coordinator, Regional Support Hub Kenya • Mohamed Qassim, Senior Regional Public Health and Nutrition Officer, Regional Support Hub Kenya • Millicent Mutuli, Senior Regional Global Public Information Officer, Regional Support Hub Kenya • Michiel van Hasselt, Associate Geographic Information System Officer, Regional Support Hub Kenya • Periklis Kortsaris, Regional Global Refugee Status Determination Officer, Regional Support Hub Kenya
Property and Facilities Management	<ul style="list-style-type: none"> • Peter De Clercq, Head of Service, Supply Chain Management

Focus Area	Name and Functional Title (at the time of the interview)
	Support <ul style="list-style-type: none">• Douglas Osmond, Senior Regional Global Supply Officer, Regional Support Hub Kenya• Gasper Buni, Associate Regional Global Supply Officer, Regional Support Hub Kenya
Safety and Security	<ul style="list-style-type: none">• Liz Ahua, Chief, Field Safety Section• Tom O'Reilly, Senior Regional Global Field Safety Adviser, Regional Support Hub Kenya• Craig Sanders, Deputy Representative, Sudan

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 attached risk register.

The overall risks have been rated as "higher risk", "moderate risk", or "lower risk" based on OIOS' assessment of the likelihood and impact of the occurrence of events or actions that might adversely affect the Organization's ability to successfully achieve its objectives and execute its strategies, after taking into account the representations made by programme managers concerning actions they have taken to prevent or mitigate the identified risks.

Table 2: Summary of identified risks

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

Risk Assessment of : UNHCR

1	Focus Area:	Strategic Management and Governance		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
I	Organizational vision and direction			Possible	High	Higher Risk
	<p>A (i) Lack of a clear strategic direction, which brings together the protection agenda, the political agenda (donor relations and fundraising), and UNHCR's internal capacity, could result in UNHCR losing its competitive edge, sustainability and relevance, and affect its long-term ability to successfully fulfil its core mandate to provide international protection to refugees.</p> <p>A (ii) Loss of agility and responsiveness in responding to the needs of its beneficiaries may result in UNHCR losing its pre-eminence as a refugee protection agency.</p> <p>A (iii) The diversity of operations and activities ("mission creep") may dilute UNHCR's level of the quality of assistance provided to its beneficiaries.</p> <p>A (iv) Insufficient capacity and ability, for example due to its significant role in the UN Cluster Approach, may result in UNHCR not fully achieving its mandated objectives.</p> <p>A (v) UNHCR may not have the financial and human resources to effectively fulfil its role in protecting and assisting Internally Displaced Persons (IDPs), which could have an impact on its reputation and donor confidence.</p>	<p>UNHCR's work is mandated by the Organization's Statute and guided by the 1951 Convention relating to the Status of Refugees and its 1967 Protocol. For the biennium 2008-09 it has developed Global Strategic Objectives with corresponding performance targets.</p> <p>UNHCR launched in 2006 a review (Structural and Management Change Process) to look at organizational structures, processes, implementing arrangements, workforce composition and various other issues. This review also aims to determine the new skills and processes required to adapt to new ways of working. It's an on-going process that is addressing many of the risks that UNHCR has been facing in effectively achieving its mandate.</p> <p>As part of the UN Cluster Approach, UNHCR assumed leadership of the clusters relating to protection, camp coordination and management, and emergency shelter. The greatest challenge relates to UNHCR's increased responsibility in the inter-agency response to internal displacement (IDP) situations. UNHCR has an IDP Policy Framework and Implementation Strategy in place, and an IDP Senior Coordinator.</p>	Strategy	Possible	High	Higher Risk

1	Focus Area:	Strategic Management and Governance		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>A (vi) The move towards the 'One UN' concept may result in UNHCR losing its ability to react to emerging and critical issues in a quick and efficient manner or may affect its capacity to raise funds for particular operations.</p> <p>A (vii) Inadequate involvement and protection of its own priority agenda in the 'One UN' context may result in UNHCR undermining refugee concerns and its core protection mandate.</p> <p>A (viii) Inability to deal effectively with the increasingly challenging phenomenon of "statelessness" may impact UNHCR's credibility.</p> <p>A (ix) Complex patterns of human migration may make it difficult for UNHCR to distinguish its mandated "caseload", i.e. refugees, asylum-seekers and IDPs, from other migrants, and to provide them with the required protection.</p>	<p>With the 'UN Delivering as One", UNHCR management does not have full control over certain issues such as fundraising and reporting to donors. In order to mitigate this risk, many issues are being addressed to ensure that UNHCR standard activities are not effected due to increased demands from the One UN initiative. There is also an understanding that the responsibilities between different players need to be clearly defined. UNHCR field offices are active participants in UN Country Team processes, including in six of the country pilots.</p> <p>Prevention and reduction of statelessness and protection of the rights of stateless people is a long-standing endeavour. UNHCR has a dedicated Statelessness Unit and is continuously advising Governments and promoting its own capacity in the field to address the issue. A self-study module for UNHCR's own staff and a learning programme for managers are aiming to help staff develop understanding of the statelessness issue.</p> <p>UNHCR discusses the question of international migration actively and regularly at the inter-agency and civil society level. It has developed a 10-point action plan to provide a framework of protection tools that could be built into broad migration strategies.</p>				

1	Focus Area: Strategic Management and Governance		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>A (x) Competition with other UN agencies and NGOs for activities within the broader mandate of UNHCR could result in a loss or dilution of the mandate, and consequently, loss of UNHCR's relevance.</p> <p>A (xi) Lack of internal perception of the multiple actors (NGOs, UN Agencies, other international organizations, Governments) in the field of UNHCR's activities could result in losing identity and competitive attitude.</p> <p>A (xii) Forced displacement as a result of environmental factors (e.g. climate change) could cause an unexpectedly large new caseload of persons of concern for UNHCR.</p> <p>A (xiii) Protracted refugee situations, in particular when involving large caseloads in high-visibility operations, may negatively affect UNHCR's credibility and funding situation.</p> <p>A (xiv) UNHCR management may face a strategic dilemma in its need to strike a balance between the adequate priority to be given to protecting the safety and security of staff and the necessity to take some inevitable security risks to conduct its refugee protection activities.</p>	<p>UNHCR recognizes it has to interpret correctly the "course of events" regarding refugees and other persons of concern, in order to maintain its competitive edge. The priority is to keep its pre-eminence in the area of forced displacement, whilst at the same time remaining a cooperative partner in the fast evolving partnership landscape. This is why the Organization needs to have a modern structure and develop the right competencies. The Structural and Management Change process, in particular the ongoing regionalization and decentralization, are in management's view the right direction to take. In addition, UNHCR's current involvement with IDPs and mixed migration issues offers an opportunity for the Organization to expand its level of engagement in these two critical areas and be a dynamic rather than a static institution.</p> <p>UNHCR Representatives have to take decisions based on a combination of existing controls: the DSS security guidelines, the internal operational guidelines (notably the UNHCR Manual and Emergency Handbook), and seeking guidance from the UNHCR Field Safety Section at HQ.</p>				

1	Focus Area: Strategic Management and Governance		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>F (i) Lack of or weak organizational commitment to competence could limit UNHCR's long-term capacity to deliver its mandate, especially in new areas of responsibility.</p> <p>F (ii) Inadequate alignment of UNHCR's competency requirements with the reforms and the introduction of an Enterprise Resource Planning system (Management Systems Renewal Project - MSRP) might result in non-tuned staff strength and skills and unnecessary costs to the Organization.</p> <p>F (iii) Lack of or inadequate expertise and specialization in some areas, as a result of the very large spectrum of UNHCR intervention ranging from emergency to development, may strain UNHCR's human resources capacity to deliver.</p>	<p>UNHCR is aiming to conduct a Workforce Profiling exercise, which aims, inter alia, to develop a skills-based competency model and a more objective performance management system.</p>	Human Resources	Possible	High	Higher Risk

1	Focus Area: Strategic Management and Governance		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>B (i) Inadequate senior management commitment and attention to, or lack of continuous monitoring of the Structural and Management Change process, could result in significant time slippage in the implementation of the reform, lack of required coherence between the different reform 'streams', loss of important opportunity and momentum for UNHCR to reform itself and, ultimately, loss of credibility.</p> <p>B (ii) Failure to ensure a functioning and permanently strong organizational development management mechanism could affect the long-term sustainability of the UNHCR reform.</p> <p>B (iii) Too many reform initiatives at the same time, and inability to take stock of the lessons learned from past reforms, may result in staff fatigue, inertia, and resistance to change in implementing the Structural and Management Change project, which could result in failure of the project or parts of it.</p> <p>B (iv) Lack of a comprehensive and well documented risk assessment prior to embarking on new programmes and initiatives (e.g. IDPs, One UN, new emergency operations, Structural and Management Change project) could result in UNHCR not being fully effective in implementing critical and high-profile activities and operations.</p>	<p>The position of the Director of Organizational Development and Management (ODM) has been created to carry responsibility for providing leadership in UNHCR's ongoing reform and change process and to facilitate organizational development. The functions and staff of the former Organizational Development and Management Service (ODMS) and Office of the Special Director for Structural and Management Change have been included under the new Director of Organizational Development and Management. The Director of Organizational Development and Management reports directly to the Deputy High Commissioner and works closely with the Assistant High Commissioners.</p> <p>UNHCR has already identified that it has lost some of its operational flexibility and responsiveness, and being prepared for and meeting emerging high risk situations. These constraints are being taken into consideration as part of the Structural and Management Change process with the aim for UNHCR to become more responsive. The establishment of a risk management framework is being relaunched.</p>	Governance	Possible	High	Higher Risk

1	Focus Area: Strategic Management and Governance		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>D (i) Unpredictability and instability of funding may negatively impact UNHCR's programme implementation and the achievement of its key objectives.</p>	<p>UNHCR is entirely dependent (except for a very small percentage from the UN Regular Budget) on donor contributions. With new and emerging operations, appeals are made for Supplementary funds (SB) to meet emergencies. Other budgetary mechanisms, such as the Operational Reserve and the "New or additional activities - mandate related" (NAM) Reserve, provide additional flexibility and capacity to address unforeseen needs.</p> <p>At UNHCR's annual Pledging Conference, several donors only pledge their un-earmarked "core" contributions which amounts to not more than some 40 per cent of the presented requirements. All further (usually restricted) funding that UNHCR receives through the subsequent year is the result of more or less detailed consultations and negotiations between UNHCR and the donor. Such contributions may be announced as late as the 4th quarter of the year. The latter type of contributions would better support a project approach. NAM is donor driven, extra-budgetary and should provide additional, previously un-projected funding.</p>	Financial	Possible	High	Higher Risk

1	Focus Area: Strategic Management and Governance		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>D (ii) Pledges from donors may not get honoured or may not be honoured in a timely manner, leading to delays in programme implementation or inability to deliver.</p> <p>D (iii) Without a greater level of engagement for financial support with major stakeholders, including at the level of government officials in capitals, UNHCR may not be in position to adequately address the global needs of its populations of concern.</p> <p>D (iv) Dissatisfaction of donors may arise due to inability of UNHCR to deliver as per donor requests, and result in reimbursement of donor contributions, loss of credibility and donor confidence, and loss of future funding.</p> <p>D (v) Absence of an investment culture in UNHCR, such as efforts to have its own income-generation projects, may result in losing opportunities for stabilizing the financial situation.</p>	<p>In UNHCR's experience with governmental donors and a number of very reliable non-governmental donors, pledges are normally honoured.</p> <p>The Global Needs Assessment, currently being piloted in a number of countries, will enable the Office to provide a better indication to donors of the funding required to meet the comprehensive needs of UNHCR's people of concern. The same will enable donor governments to better plan, prioritize and hopefully increase their funds.</p> <p>Key in this respect is the issue of accountability between Headquarters and field. There are plans to develop an accountability framework for regional and country offices as well as tools to support accountability at those levels. The new framework would capture accountabilities from Headquarters to the regional structures through to country operations.</p> <p>UNHCR is currently investing in strengthening its private sector fund raising in accordance with an approved multi year plan.</p>				

1	Focus Area: Strategic Management and Governance		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>G (i) Confidential beneficiary data could fall into wrong hands and severely compromise UNHCR's standing as protection agency, which could even result in heavy liability and compensation claims if this information is used inappropriately.</p> <p>G (ii) Weak internal communication strategy might result in UNHCR staff not adequately "internalizing" the reform and its goals, and lead to limited staff support to the Structural and Management Change process.</p>	<p>The organization is holding sensitive data of millions of asylum seekers, refugees, returnees, and others of concern. It is not only an IT issue but has policy, process and human factors. The existing controls have weaknesses, which is a fact recognised by UNHCR's ICT management. There is understanding that confidentiality, privacy, and data protection issues need to be included in future risk management strategies.</p>	Information Resources	Possible	High	Higher Risk

1	Focus Area: Strategic Management and Governance			Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
II	Strategic planning and Results-Based Management			Possible	High	Higher Risk
	<p>A (i) Lack of strategic goal-setting, which is required in a dynamic and changing environment, may result in the strategy in UNHCR not comprehensively formulated at the global level or carried out in a systematic strategic planning process.</p> <p>A (ii) Inadequate prioritisation between the Global Strategic Objectives, in particular in situations of budget cuts, could result in UNHCR management's inability to make adjustments to programme plans.</p> <p>A (iii) Lack of a strategic plan for the development of long-term sustained activities, with a mix of protection and development, could result in UNHCR not fully maximizing opportunities in the current environment of heightened donor focus and interest in development activities in post-conflict environments.</p>	<p>UNHCR has developed global objectives for the biennium 2008-09. The 10 Global Strategic Objectives and related Performance Targets focus on clarifying organizational priorities. These objectives are further translated into priority objectives at the regional and country level.</p> <p>UNHCR knows it is in a unique position to attract funds for reintegration in returnee areas, as it is often the only UN agency present in these areas.</p>	Strategy	Possible	High	Higher Risk

1	Focus Area: Strategic Management and Governance		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>B (i) Lack of an effective system of Results-Based Management may result in UNHCR's inability to monitor and substantiate its performance and measure the impact of its operations.</p> <p>B (ii) Culture and tradition of resource-based planning, rather than needs- or objectives-based, could result in ineffective mandate delivery.</p> <p>B (iii) Inability to cascade strategic objectives to all levels of the organization's planning and reporting processes, as well as performance appraisal systems, could result in ineffective RBM efforts.</p> <p>B (iv) Weak organizational culture of monitoring and evaluation may result in UNHCR's inability to adapt its strategies to changing operational realities.</p> <p>B (vi) Unwillingness to look critically at performance, both in terms of programme performance and staff performance, could result in UNHCR becoming a non-functional and ineffective organization.</p>	<p>The organization has recognised the need to reinforce results-based management and is currently investing resources into the wider implementation of its RBM strategy. The introduction of a new result-based-management software - FOCUS, to be launched in 2010 - is aimed at facilitating clearer and more coherent strategic planning as well as monitoring and reporting of results. By 2010, UNHCR will have a comprehensive global needs assessment conducted, which will form the framework for future strategic planning and priority-setting.</p>	Governance	Possible	High	Higher Risk

1	Focus Area: Strategic Management and Governance		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>E (i) Too complex and time-consuming system of results-based management could have the counter-productive effect of making the preparation of sub-agreements and other programme planning documents merely manual and mundane exercises without the intended benefits.</p> <p>E (ii) Inability to implement the recommendations contained in evaluation reports and subsequent lessons learnt may result in not using resources efficiently and could deny the organization from using these recommendations to serve its global strategic objectives and programme priorities.</p>	<p>In November and December 2007, the FOCUS RBM software was piloted in 7 country operations. In March 2008, a new version of FOCUS was released. Pre-roll out workshops are being organised.</p> <p>UNHCR has several ongoing projects to strengthen the evaluation function, under the leadership of the Policy Development and Evaluation Service. The UNHCR Evaluation Policy is being drafted. There is however not a mechanism in place to systematically follow up on evaluation recommendations.</p>	Operational	Possible	Medium	Moderate Risk
	<p>D (i) Lack of cost accounting and financial analysis methods in operational decision-making and poor cost consciousness may result in inefficient use of resources and financial losses to the organization.</p> <p>D (ii) Artificial distinction between administrative and operational staff/expenses might limit the capacity of the Organization to efficiently manage and monitor its resources and activities.</p> <p>D (iii) The short-term nature of donor funding may jeopardise UNHCR's long-term strategic planning, and compromise the effectiveness of its system of Results-Based Management.</p>	<p>A Revised Framework for Resource Allocation and Management was introduced in 2007, clarifying the division of responsibilities between operations and finance/administration. Decision-making has been moved to the budget holders closer to the point of delivery. This has improved cost consciousness of UNHCR managers.</p> <p>FOCUS software will assist in addressing the issue of the correct costing of staff.</p> <p>UNHCR Division of External Relations (DER) is dedicated to fundraising. Country operations are also increasingly active in local fundraising. Private sector fund raising is being strengthened.</p>	Financial	Possible	Medium	Moderate Risk

1	Focus Area: Strategic Management and Governance		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>G (i) Inability to integrate Results-Based Management (RBM) seamlessly with UNHCR's Enterprise Resource Planning system MSRP (Management Systems Renewal Project) may result in duplication of efforts and inefficiencies, and RBM seen as merely another IT application rather than a streamlined management function.</p> <p>G (ii) Inability to design an interface between proGres, the refugee registration database, and MSRP, could result in UNHCR's important strategic planning parameter, i.e. the number of beneficiaries, missing from its Enterprise Resource Planning system.</p>	<p>The current MSRP version cannot support necessary RBM constructs while the underlying PeopleSoft structure has the capability. There is management agreement in UNHCR that MSRP must be integrated to the extent possible with the FOCUS system.</p> <p>The number of beneficiaries can be incorporated into MSRP without any additional interfacing. This information is available at the operational level and is already happening in some operations which use proGres individual data to actively monitor programme and financial expenditures.</p>	Information Resources	Remote	Medium	Lower Risk
	F (i) Low staff awareness and ownership of RBM may impede UNHCR's efforts to make results-based management succeed in the Organization.	The FOCUS roll-out workshops will contribute to raising staff awareness about RBM.	Human Resources	Possible	High	Higher Risk

1	Focus Area: Strategic Management and Governance			Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
III	Organization structure and functions, Decentralization and Regionalization			Possible	High	Higher Risk
	<p>B (i) UNHCR's organizational structure may not easily facilitate effective decision-making and exchange of ideas and/or knowledge within UNHCR as a whole.</p> <p>B (ii) The two-sided structure of UNHCR (operations versus administration/budget) may not allow for proper checks and balances of budget and actual expenditures, and may not create the conditions for timely reallocation and control of financial resources.</p> <p>B (iii) Working on a country by country basis may not be effective and may result in gaps and duplication.</p> <p>B (iv) Inability to take the "One UN" initiative sufficiently into account in the regionalization initiative could result in ineffective restructuring of the organization.</p>	<p>UNHCR is aiming to align key strategic processes with organizational goals and to make their efficiency and responsiveness optimal. The decentralization and regionalization process - within the context of the Structural and Management Change process - focuses on achieving increased operational responsiveness and a strengthened capacity for sub-regional strategy formulation and field-based solutions-planning. It also includes efforts to rationalize and consolidate functions, decentralize support services and relocate administrative functions where they are most cost-effective. The ongoing process aims to reduce significantly the number of field representations reporting directly to HQ, as they will report to the next higher level in the structure. The management at HQ will deal less with day-to-day operational issues and more on strategy. This process is complemented by the adoption and implementation of UNHCR's Revised Framework for Resource Allocation and Management which, inter alia, envisages to address the risks stemming from the two-sided structure.</p>	Strategy	Possible	High	Higher Risk

1	Focus Area: Strategic Management and Governance		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>B (v) Failure to adequately delegate authority, allocate roles and responsibilities, and define reporting lines in the decentralization and regionalization process may result in unclear segregation of duties and additional decision-layers between Headquarters, Regional Offices and Field Offices.</p> <p>B (vi) Accountability may not be clearly defined at all levels as a result of the decentralization and regionalisation process.</p> <p>B (vii) Unclear roles and responsibilities related to support, guidance and supervision of regional global posts by the corresponding functional units at Headquarters could result in inconsistencies in field operations and gaps and duplications between different functions.</p>	<p>The framework on decentralization and regionalization adopted in June 2007 set out four models or regional structures to be used flexibly in response to conditions on the ground. A fifth model has been added since that date. ToRs and job descriptions will be developed for each of the organizational layers. Plans exist for assessing the potential for duplication and addressing issues of redundancy as a result of the restructuring. The risks related to working on an isolated country by country basis will also be addressed under the strategy of regionalization which aims to strengthen the capacity of an expanded network of regional structures.</p> <p>The August 2008 ToR for a Regional Office provide a more detailed picture of the overall roles and responsibilities of regional offices within the context of decentralization. The 2006 paper on the Essential Role of Headquarters seeks to do the same for HQ. In an effort to bring these tools together and to address gaps, UNHCR is now developing a global accountability framework, which will list accountabilities, responsibilities and authorities of HQ, regional offices and country offices. The global accountability framework will, in turn, facilitate efforts underway to revise job descriptions for regional posts.</p>	Governance	Possible	High	Higher Risk

1	Focus Area: Strategic Management and Governance		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	E (i) Lack of a comprehensive implementation plan and timeline for the decentralization and regionalization process could result in failure to achieve the intended results on time, or critical areas being overseen.	ODM continues to guide the decentralization and regionalization process being pursued by the Bureaux and Divisions. In October 2007, the Bureaux agreed to a three-year time frame to establish and strengthen regional offices. At this time, the location of regional offices were identified, as well as the countries coming under their coverage. While there have been some amendments to the implementation plan (due to efforts to consolidate regional offices), UNHCR will continue to adhere to the overall time frame.	Operational	Possible	Medium	Moderate Risk

1	Focus Area: Strategic Management and Governance		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
IV	Outposting / Budapest Service Centre		Remote	High	Moderate Risk	
	<p>A (i) Political instability in the country of outposting may cause external problems for the outposted Budapest Service Centre and interrupt operations.</p> <p>A (ii) Unforeseen external factors (e.g. industry, technology or resource changes) may affect the initially defined scope and cost of the outposted operations.</p> <p>A (iii) Lack of an adequate communication strategy (with regard to EXCOM, NGO's, staff) on the outposting exercise, throughout the process, may result in increased uncertainty and resistance by staff and stakeholders.</p> <p>A (iv) Geographically dispersed teams may lead to duplication of activities at Headquarters and in the new location, which could result in lack of trust among staff, service level shortfalls or the unavailability of resources.</p> <p>A (v) Inappropriate timing of the outposting process may impact other UNHCR reform projects given that UNHCR is undergoing change in multiple areas and in multiple activities.</p>	<p>UNHCR has transferred a number of its administrative and centralized support functions to Budapest. Hungary is politically stable, although there have been politically-driven security incidents in recent years. One of the main objectives of outposting was to free resources - that the Structural and Management Change process estimated at \$10 million per year (excluding start-up costs and separation benefits for Geneva GS staff) - for UNHCR's beneficiaries. It was also aimed at reducing expenditure on administration and HQ costs and to locate staff and services where they could be most cost effective. Constant and timely communication, as necessary, has been in place to keep people informed. Director of Organizational Development and Management reports frequently to the Standing Committee, Excom, and staff. A forum is available for staff to make comments on the progress being made. Staff Council actively follows the exercise and reports to staff on their findings and conclusions. The initial target dates for outposting were pushed back slightly to ensure that a well designed transition mechanism is in place.</p>	Strategy	Remote	High	Moderate Risk

1	Focus Area: Strategic Management and Governance		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>B (i) In the design phase, UNHCR may not have established proper governance structures and mechanisms, resulting in ineffective management of outposted functions.</p> <p>B (ii) Lack of physical access to organizational resources at the Budapest Service Centre may reduce the ability of management to monitor and control operations on a day to day basis.</p>	<p>The operating model and governance structure are monitored to spot critical issues timely.</p> <p>With increased technical communication the location of staff is becoming less important for back-office/desk functions.</p>	Governance	Remote	Medium	Lower Risk
	<p>E (i) Poorly designed processes in the Budapest Service Centre may result in duplication of administrative functions.</p> <p>E (ii) Inadequate service provided to the users may result in UNHCR losing credibility with its own staff, external stakeholders and other parties.</p>	<p>In August 2008, ODM, together with DHRM, launched a human resource process simplification project which will analyze the way in which objectives are achieved in key areas of the personnel administration work carried out by the Budapest Service Centre. The aim of the project is to identify where alternative process models can be introduced to enhance efficiency, cost effectiveness and customer satisfaction. IBM has been contracted to assist with this initiative.</p>	Operational	Remote	High	Moderate Risk
	<p>D (i) Having to bring the outposted services back to Headquarters or to relocate elsewhere - should the operation fail to produce the intended results - could result in high costs for UNHCR.</p> <p>D (ii) Inability to achieve the intended savings from the outposting could have a significant impact on UNHCR's credibility and management reputation.</p>	<p>To limit the consequence of failure, UNHCR will prepare an exit plan which covers bringing back in house whatever is outposted.</p>	Financial	Possible	High	Higher Risk

1	Focus Area: Strategic Management and Governance		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>F (i) Heavy competition in a limited market for qualified staff, including from other UN organizations, could result in UNHCR's inability to recruit staff with appropriate education and skills (language skills, technical skills, etc.).</p> <p>F (ii) UNHCR may be perceived to be a springboard for better-paid jobs in the private sector, thus generating a high turnover of staff.</p> <p>F (iii) Lack of adequate training provided to newly recruited staff to ensure they have adequate knowledge and understanding of UNHCR operations could result in operational inefficiencies.</p> <p>F (iv) Insufficient number of staff and lack of input of the UNHCR managers on the selection of staff could impact on the proper functioning of the Budapest Service Centre.</p> <p>F (v) Management assigned to the new outposted centre to oversee the centre activities may lack appropriate management skills, which could negatively impact the outposted processes.</p>	<p>In order to mitigate the risks related to the recruitment of staff, UNHCR hired a recruitment consultancy firm to assist in the identification and hiring of staff. All concerned managers were very closely involved in the selection and recruitment process, and a comprehensive general induction programme as well as function-specific training has been conducted with all new recruits by DHRM and the concerned Divisions, respectively. Finally, all managers assigned to the BSC are seasoned UNHCR managers with proven relevant experience in their areas of responsibility (i.e., HRM, Supply Management, Finance, and overall office management and administration). Some 100 staff have already been recruited locally.</p>	Human Resources	Remote	High	Moderate Risk
	<p>G (i) Absence of systematic transfer or critical documentation of institutional knowledge may result in UNHCR losing or not being able to transfer knowledge from Headquarters to the outposted location.</p>	<p>With the advent of technology, all necessary documentation is available online, and BSC shares the same internal network as HQ.</p>	Information Resources	Possible	Medium	Moderate Risk

1	Focus Area: Strategic Management and Governance			Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
V	Organization culture and Control environment			Likely	High	Higher Risk
	<p>B (i) Lack of a proper control environment, including tone at the top, in UNHCR could result in weak governance, lack of accountability or breaches in ethical conduct.</p> <p>B (ii) Lack of a strong ethical culture could result in widespread fraud and corruption, which could damage the Organization's reputation.</p> <p>B (iii) Lack of an institutionalised accountability framework may result in the concept of accountability not being well defined, understood and enforced in UNHCR, and have an adverse impact on individual and organizational effectiveness.</p> <p>B (iv) Lack of empowerment of field managers and staff may make it difficult to hold persons accountable for low implementation and/or mismanagement of UNHCR's resources at the field level.</p> <p>B (v) Lack of a results- and performance-driven organizational culture could lead to poor accountability with regard to expected accomplishments and outputs.</p>	<p>UNHCR's Ethics Office has been recently upgraded. The Code of Conduct is signed by all staff. UNHCR's Strategic Framework for addressing fraud and corruption was issued in June 2008. The document emphasizes UNHCR's zero-tolerance stance towards fraud and corruption, be it committed through staff, consultants, contractors, or IPs. An Investigation Learning Programme has been conducted at several duty stations, facilitated by the Inspector-General's Office (IGO). The Programme has already provided investigation training to some 80 staff, some of whom have rendered assistance to investigation cases.</p> <p>UNHCR has a number of accountability tools and mechanisms already established (e.g. UNHCR's Financial Empowerment and Accountability Framework; Accountability Portal on the HCR-net) but which require strengthening, as recognised by management. Work is ongoing on the development of a comprehensive Accountability Framework, along with the tools required to support accountability. The full roll-out of MSRP will enable field managers to better manage resources as there will be more up-to-date information available.</p>	Governance	Likely	High	Higher Risk

1	Focus Area: Strategic Management and Governance		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>B (vi) Lack of a comprehensive organization-wide/enterprise risk management (ERM) process may result in UNHCR managers not adequately identifying and addressing key risks to its mandate, operations or reputation.</p> <p>B (vii) Lack of a formal, systematic and structured internal control framework may result in UNHCR's inability to achieve its performance and compliance targets, and to prevent loss of or inefficient use of resources.</p>	<p>While UNHCR does manage risk, it is not done in a systematic and well structured way, which may result in gaps and inconsistent and differing benchmarks to evaluate risk. In 2005, PriceWaterhouseCoopers provided pro-bono consultancy services to assist UNHCR in introducing risk management (500 hours). The initiative was to take the process forward internally, but other priorities interrupted it. This work is now being revitalised by UNHCR.</p> <p>Steps have been taken with the introduction of the Financial Internal Control Framework (in MSRP), but UNHCR recognizes that more is required to establish a global framework for Internal Control.</p>				

1	Focus Area:	Strategic Management and Governance		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	B (viii) Complexity and inefficiency of the system of administration of justice may prevent proper sanctioning of staff, including dismissal of staff who have committed wrong-doing or lack competence.	The system of justice in place in UNHCR has three main components: Investigation, Ethics and Mediation. The Inspector General's Office is responsible for investigating any wrongdoing reported, preparing the case, and submitting Preliminary Investigation Reports (in the case of allegations considered to be founded) to the Director of DHRM. The Director of DHRM, with legal advice from the Legal Affairs Section, then decides on the further course of action, possibly leading to disciplinary processes. The Ethics Office is in charge of verifying whether the staff members comply with the principles contained in the UNHCR code of conduct. The mandate of the Ethics Office has recently been expanded. Mediation is an informal system of justice, which operates in close consultation with the Director of DHRM.				
	<p>C (i) If UNHCR staff, especially senior officials in remote locations and independent country offices, knowingly circumvent rules, it could result in financial losses to the Organization, and affect the morale of other staff in the same office.</p> <p>C (ii) Lack of adequate awareness and understanding of the consequence of non-compliance with rules, regulations, policies and procedures may result in an ineffective internal control system leading to inefficiencies and, at the extreme, fraud.</p>	Staff in same functional area but at higher level (Branch Office/ Regional Office) can be consulted. The Office of Inspector-General has an anonymous hotline. UNHCR's new Strategic Framework for addressing fraud and corruption provides concrete and practical advise to staff in identifying and reporting fraud and wrongdoing, including measures taken to safeguard confidentiality and to protect staff against retaliation.	Compliance	Possible	Medium	Moderate Risk

1	Focus Area: Strategic Management and Governance		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>F (i) The relationship between management and staff may not be adequately nurtured and communication may not be transparent enough so as to avoid negative perception and/or misperception of management among staff.</p> <p>F (ii) Critical staff concerns, affecting their motivation, commitment and work satisfaction, may not be adequately followed up on, negatively affecting the overall culture of the organization.</p> <p>F (iii) Information-sharing between management and staff may be weak or ineffective, which could deteriorate organizational culture and performance.</p>	<p>The Inspector-General's Office has highlighted in its reports the difficulty faced by UNHCR managers in addressing inter-personal conflicts in the office.</p> <p>UNHCR's first Global Staff Survey was conducted in 2006. As a result of the survey, the High Commissioner called for global and local action plans to address the identified weaknesses. In addition, a Steering Committee was created to oversee the follow-up process.</p> <p>As a follow-up to the Global Staff Survey, an Internal Communications function has been created with a P-4 Head of Unit and a G-6 assistant. The Unit will develop and implement a broader communications strategy for UNHCR.</p>	Human Resources	Likely	Medium	Higher Risk
	E (i) Lack of a proper and continuous management assessment of the adequacy of existing controls to address risks may result in ineffectiveness of controls or the cost of compliance outweighing the benefits.		Information Resources	Likely	High	Higher Risk

1	Focus Area: Strategic Management and Governance		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
VI	Internal committees		Possible	Medium	Moderate Risk	
	<p>B (i) Lack of cohesion within top management may result in strategies and objectives not being clearly established and strategic initiatives not being implemented.</p> <p>B (ii) Lack of full independence of the UNHCR Oversight Committee could lead to a suboptimal governance structure.</p> <p>B (iii) Lack of authority and capacity of the Oversight Committee to enforce management control of operations, and its weak impact on the follow-up of oversight findings, may result in an ineffective internal oversight mechanism.</p> <p>B (iv) Perception of micro-management of the Appointments, Postings and Promotions Board (APPB) may lead to a lack of motivation of middle management as it could be seen as a lack of confidence in their ability to make the right decisions.</p>	<p>Some of the strategically important recommendations agreed in the Senior Management Committee (SMC) are already in progress of implementation or fully implemented, such as outposting of support functions, regionalization, new budget structure, full roll-out of MSRP, etc.</p> <p>Given the terms of reference for the new UN Independent Audit Advisory Committee, UNHCR is reviewing the terms of reference of its Oversight Committee. Revised ToR resulting in a stronger Committee may address the issue of lack of independence and enforcement capacity.</p> <p>The new Resource Allocation and Management Framework aims to ensure the best possible alignment of UNHCR's financial and human resources with the organization's operational objectives, and delegates decision-making authority to the level of budget holders, i.e. Representatives and senior managers.</p>	Governance	Possible	Medium	Moderate Risk

1	Focus Area: Strategic Management and Governance		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
VII	Oversight bodies		Possible	Medium	Moderate Risk	
	<p>B (i) The existence of numerous oversight bodies operating in UNHCR may result in 'oversight fatigue' in the Organization and duplication of efforts.</p> <p>B (ii) Lack of proper analysis of the balance needed for overseeing regional and field operations versus Headquarters activities may lead to insufficient oversight resources (audit, inspection, evaluation, investigation) dedicated to strategic management and governance issues.</p> <p>B (iii) The internal oversight bodies in UNHCR may not be fully effective if they lack systematic risk assessments to ensure oversight resources are focused on high risk areas.</p> <p>B (iv) Existing reporting lines and staff rotation may not fully assure the independence and objectivity of the internal oversight bodies.</p>	<p>UNHCR's oversight mechanisms consist of Inspector General's Office (IGO), Policy Development and Evaluation Service (PDES), UN Board of Auditors (BoA), Office of Internal Oversight Services (OIOS) and Joint Inspection Unit (JIU). Periodic meetings are held with the various oversight functions to ensure good coordination and avoid duplication. In an effort to inform UNHCR managers and staff, the IGO in consultation with Policy Development and Evaluation Service (PDES) and OIOS have developed an oversight matrix outlining the mandates and objectives of Inspection, Evaluation and Audit, respectively.</p> <p>OIOS has adopted a fully risk-based planning approach to the selection of audit assignments to ensure audit resources are focused on higher risk areas. The IGO is considering adopting a more risk based approach to the selection of inspections.</p> <p>To ensure the independence of internal audit function, the Head of Internal Audit reports to Under-Secretary-General of OIOS through the Director of Internal Audit. On the contrary, the Inspector-General's position is a career position and subject to rotation. In addition, the IG and Head of PDES report to the High Commissioner. All other staff in investigation, inspection and evaluation functions are also subject to rotation.</p>	Governance	Possible	Medium	Moderate Risk

1	Focus Area:	Strategic Management and Governance		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>C (i) Inadequate mechanism to follow up on the implementation of recommendations may result in the impact of internal oversight being diminished.</p> <p>C (ii) Management misperception that internal oversight bodies are responsible for monitoring may result in management not assuming its proper responsibility for internal control.</p>	For follow-up on recommendations, the IGO has a Compliance Auditor, while for OIOS and BOA there is an UNHCR Audit Coordinator.	Compliance	Possible	Medium	Moderate Risk
	F (i) The rotation system may not be able to ensure that specialised skills are available for the performance of evaluation, inspection and investigation activities.		Human Resources	Possible	Medium	Moderate Risk
VIII	Management information and reporting			Possible	Medium	Moderate Risk
	<p>E (i) Quality of the reports submitted by the field offices to Headquarters, with regard to completeness, reliability and analytical value of information, may not be adequate for management's decision-making purposes, as well as reporting to donors.</p> <p>E (ii) Too voluminous amount of information disseminated without any prioritization and/or summarization may result in senior management not being properly informed about critical issues.</p>	MSRP reporting functionalities have improved the quality and efficiency of management reporting. The introduction of UNHCR's new result-based-management software - FOCUS - is also aimed at facilitating clearer and more coherent reporting of results. The adoption of an accountability framework may make reporting lines and structures clearer.	Operational	Possible	Medium	Moderate Risk

1	Focus Area: Strategic Management and Governance			Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>G (i) Inability of MSRP to serve as an effective management information system, as opposed to a mere administrative tool, may lead to suboptimal return on investment.</p> <p>G (ii) In large operations, UNHCR may not have an adequate reporting structure between the Representation and sub and field offices to ensure complete and reliable information is provided to donors. Lack of or inaccurate information may affect UNHCR's credibility and fundraising capacity.</p>	The PeopleSoft architecture utilized is one of the world's leading Enterprise Resource Planning (ERP) systems	Information Resources	Possible	High	Higher Risk
	C (i) UNHCR Representations may not be consistent in the application of and reporting on key performance indicators affecting the global results	The Division of Operational Services (DOS) is strengthening the systematic use and monitoring of standards and indicators and improving existing data collection instruments. It has developed a Practical Guide to the Systematic Use of Standards and Indicators in UNHCR Operations.	Compliance	Possible	Medium	Moderate Risk

1	Focus Area: Strategic Management and Governance			Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
IX	Knowledge sharing			Possible	Medium	Moderate Risk
	<p>F (i) High staff turnover due to the rotation policy and the pending retirement of a large part of UNHCR's workforce may lead to critical losses of institutional memory.</p> <p>F (ii) Inadequate handover procedures and inability to provide for an overlap period between the outgoing and incoming incumbent may negatively affect the consistency and continuity of operations.</p>	<p>UNHCR is only in the early stages of developing a knowledge management strategy for the organization, but it already has many knowledge management structures in place. These include evaluation, training, and a range of sections dedicated to operational support that work to capture organizational knowledge and learning and make it accessible to staff members and partners through a variety of means including training and operational guidance.</p> <p>Handover procedures are part of departure formalities of staff members when they depart from one operation to another. It is also indicated in the UNHCR Reassignment Brochure.</p>	Human Resources	Likely	Medium	Higher Risk

1	Focus Area:	Strategic Management and Governance		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>G (i) Lack of knowledge management system in UNHCR to create, capture, store and disseminate information may result in inefficiencies and loss of institutional knowledge.</p> <p>G (ii) Inability of UNHCR to be an effective learning organization that systematically catalogues best practices and learns from experiences, particularly important given its rotation scheme and being a fast-moving organization, could result in inefficient use of resources.</p> <p>G (iii) The abundance of information circulated in UNHCR may not be done in an effective way allowing managers and staff to prioritize what to read and what is important resulting in an inordinate amount of time spent by all staff on similar issues.</p>	<p>UNHCR is also using technology to make "knowledge" more accessible. There are various platforms of information and stored documentation. This includes Electronic Document Management System (EDMS or Livelink), Internet and Intranet (with sites for MSRP, a Structural and Management Change process forum, Managing Performance in UNHCR, etc.).</p>	Information Resources	Possible	Medium	Moderate Risk

1	Focus Area: Strategic Management and Governance		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
X	Policy development		Likely	High	Higher Risk	
	<p>A (i) Inability of UNHCR to have a strategic and holistic overview and process, including senior management commitment, to policy and doctrine development could result in non-alignment or disconnect of policies with UNHCR's strategic vision and global objectives.</p>	<p>JIU in their review of UNHCR in 2004 characterised UNHCR as "doing business on the basis of multiple managerial policies and guidelines formulated through various internal committees and boards rather than based on solid corporate policies". A new Policy Development and Evaluation Service (PDES) has been created and its capacity is being strengthened. According to its ToR, PDES will formulate "corporate" policy options, in close consultation with Divisions/Departments/ Regional Bureaux of the Office, regarding policies of a strategic, global and generic nature, with the aim of strengthening UNHCR's capacity for quick and responsive policy formulation. There are plans to establish a Policy Development Network.</p> <p>The Director of Organizational Development and Management works in close cooperation with PDES in the facilitation of strategic policy reviews and definition processes.</p>	Strategy	Likely	High	Higher Risk
	<p>E (i) UNHCR may lack the tools or may not use proper criteria to determine whether a policy is the right one resulting in an ever changing culture of inconsistent policies, procedures and guidance.</p> <p>E (ii) An overload of policies developed at UNHCR may result in staff not being able to digest and adopt everything.</p>	<p>UNHCR has developed an extensive set of policies and procedures, which are laid down in various Manual, Handbooks, Policy papers and Inter-Office Memoranda. The level of detail calls for an almost constant updating and amending of these documents.</p>	Operational	Likely	High	Higher Risk

1	Focus Area: Strategic Management and Governance		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
XI	Exit and phase-out strategies for field operations		Possible	Medium	Moderate Risk	
	<p>A (i) Lack of a phase out strategy in certain operations may result in UNHCR not adequately prioritizing its resources or avoiding gaps, such as between reintegration and development projects.</p> <p>A (ii) UNHCR may find it difficult to strike a balance between the need to reduce its presence and cost of operations and avoid the undermining of its protection standards.</p> <p>A (iii) Insufficient measurement of the degree of achievement of the objectives of an operation that is being phased out may result in UNHCR's inability to learn the lessons to adapt future strategies accordingly.</p>	<p>UNHCR sometimes moves into development work beyond the required period. This situation might be caused by the reluctance of other UN entities to take over certain activities. The move towards a 'One UN' approach by improving the communication and the coordination among UN entities should help to ensure a smoother transition to development programme. UNHCR is actively involved in UN common programming processes at country level, such as CCA and UNDAF. UNHCR is also actively involved with UNDP and other development agencies on the coordination of development activities in post-conflict countries.</p>	Strategy	Possible	Medium	Moderate Risk

1	Focus Area: Strategic Management and Governance		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>E (i) Weak closing down procedures of branch and field offices, and inadequate internal controls, may result in decisions on redeployment, sale, or transfer of ownership of assets not being carried out in timely manner.</p> <p>E (ii) Inadequate coordination with other UNHCR offices may limit the redeployment of assets, causing financial losses to UNHCR if similar assets are then purchased from the market.</p> <p>E (iii) Last minute planning may not allow UNHCR Representations to apply the termination clauses of rental agreements (office premises, warehouse, etc.) in a timely manner, resulting in financial losses.</p> <p>E (iv) Poor planning of the closing down of UNHCR offices may cause delay in terminating the employment contracts of local staff and reassignment of international staff which may result in ineffective use of staffing resources and costs that could otherwise be avoided.</p>	<p>Procedures for closing an office are included in UNHCR Manual, Chapter 6, Section 9.4. A checklist is also being made available to the Administrative Officer of an office that is going to be closed. With regard to the disposal or redeployment of assets, relevant instructions are available in the Chapter 8 of the UNHCR Manual.</p>	Operational	Possible	Medium	Moderate Risk

1	Focus Area: Strategic Management and Governance		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
XII	Host country relationships		Remote	High	Moderate Risk	
	<p>A (i) Interference of government partners in UNHCR's programme planning and implementation, e.g. for political or financial reasons, may impact the achievement of UNHCR's programme objectives.</p> <p>A (ii) Lack of strategic and operational tools and procedures for UNHCR to pursue avenues for durable solutions with host governments, and make refugee concerns part of the national agenda, could result in further protracted refugee situations, asylum fatigue and a negative impact on the refugee population.</p> <p>A (iii) Inability to obtain host country's commitment to ensure the safety and security of UNHCR staff may lead to ineffective and unreliable security infrastructure for UNHCR operations.</p>	Political dialogue, diplomacy, and advocacy with host governments are at the forefront of UNHCR country offices' agenda, and usually take a large amount of time and effort of the Representatives.	Strategy	Remote	High	Moderate Risk

1	Focus Area: Strategic Management and Governance		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>B (i) Lack of effective communication and good relationship with host governments may negatively affect the efficiency of administrative processes (e.g. visa application process by government office is delayed) and ultimately impact programme delivery.</p> <p>B (ii) Lack of dialogue with host governments, especially at the start of emergency operations, may lead to UNHCR and UNHCR staff being charged excessive prices for example for housing, property and facilities, supplies, and services.</p> <p>B (iii) Lack of provision of sufficient objections to higher level government staff for requests of hiring staff from among their family members may result in hiring incompetent or unqualified staff.</p>		Governance	Possible	Low	Lower Risk

1	Focus Area: Strategic Management and Governance			Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
XIII	Partnerships with NGOs and Government agencies			Possible	High	Higher Risk
	<p>E (i) Selection of implementing partners may not be done in a well-structured and transparent manner, as a result of which an insufficient number of partners are selected to implement UNHCR activities.</p> <p>E (ii) Insufficient information on NGOs, Government agencies and other organizations implementing UNHCR projects - to assess their financial and operational capacity to implement - may result in not selecting partners with the required expertise, capacity or ethics.</p> <p>E (iii) Lack of implementing partners with specialisation may result in UNHCR having to take onboard partners that are generalists but don't have the expertise in certain key areas of implementation.</p> <p>E (iv) Inflexibility in some locations to choose a partner other than the government partner may lead to ineffective or inefficient delivery and, in some cases, a credibility risk to UNHCR.</p> <p>E (v) Use of international NGOs without due consideration to existing local expertise, due to political pressures or other, could result in more costly programme delivery and loss of opportunities to build capacity.</p>	<p>For the implementation of its projects, UNHCR relies on implementing partners (NGOs, Governments or UN Agencies) who spend one third of the UNHCR budget. Globally, UNHCR has over 600 formal partnership agreements. The work of the partners covers everything under UNHCR's mandate, from protection to emergency response. There is also an increasing number of operational partners. Due to their own resources and expertise, they may play a significant role in finding durable solutions for refugees. Until today over 70 Field Agreements with Operational Partners have already been signed. These FAOPs set out the moral grounds for collaboration and they do not necessarily go into any operational activity details/transfer of responsibilities contrary to the sub-agreements UNHCR signs with IPs for projects to be implemented. As a practical guide for the partners working with UNHCR, an Operations Management Handbook for UNHCR's Partners has been developed. UNHCR and its NGO Partners also drafted in 1999 a Protecting Refugees - Field Guide for NGOs.</p>	Operational	Possible	High	Higher Risk

1	Focus Area: Strategic Management and Governance		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>E (vi) Poor performance by implementing partners may cause financial losses to UNHCR or result in non achievement of project objectives or reputational risks.</p> <p>E (vii) Absence of a systematic policy and process, or a warning mechanism, for denying future selection of IPs for serious performance shortcomings or ethical breaches could lead to UNHCR receiving repeatedly, and globally, poor service and inefficient use of funds.</p> <p>E (viii) Too large number of implementing partners and insufficient staffing resources may preclude UNHCR from a meaningful and comprehensive programme monitoring of IP's programme implementation.</p> <p>E (ix) Any transfer of responsibilities to operational partners over which UNHCR does not have a monitoring or supervisory role may lead to difficulties in coordinating the assistance to UNHCR beneficiaries.</p> <p>E (x) Incompatible local labour laws with UNHCR IP's operating mechanism may result in cumbersome termination procedures of national staff members by the implementing partners and the payment of unjustified terminal benefits.</p>	<p>UNHCR has specific Partnership Guidelines. For the selection of operational partners, there are detailed instructions in the UNHCR Manual Chapter 4. In addition, the Division of External Relations (DER) is working on a proposal with the Controller's Office to improve IP selection. The proposal introduces a simple pre-selection check list for IPs which would identify risk factors and develop a standard training and/or coaching package which would include simple tools to assist IPs, potential or actual, to address problems identified in the pre-selection check list or in audit reports as well as assist field offices in the selection of IPs.</p> <p>UNHCR has policy guidelines with regard to entitlements funded by UNHCR for IP project staff. These are being reviewed.</p>				

1	Focus Area:	Strategic Management and Governance		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>C (i) Recurrent deficiencies in UNHCR's implementing partners' internal control and accounting systems combined with the lack of checks and balances and the lack of understanding of the need for sound procedures may result in ineffective use of UNHCR funds and, at the worst, misuse of UNHCR funds.</p> <p>C (ii) The mandate of UNHCR Investigation Unit not encompassing implementing partners may lead to fraud and mismanagement going undetected or, when detected, not systematically acted upon.</p>	<p>UNHCR Manual Chapter 4 provides guidance for UNHCR's financial and performance monitoring of and reporting by implementing partners. UNHCR has also introduced a system of audit certification of partners by external audit firms.</p> <p>The Investigation Unit does not have a mandate per se, but the Inspector-General has one. In inquiries, the IG may look into frauds committed by IPs, but this has been rarely done.</p>	Compliance	Likely	High	Higher Risk
	<p>A (i) Difficult, challenging or demanding government partners may make UNHCR projects unmanageable and render UNHCR's monitoring role ineffective.</p> <p>A (ii) Heavy reliance on some partners, e.g. due to the fact that very few partners are available for implementation in certain sector or area, or the NGO in question has an institutionally and politically influential international player, may result in programme implementation not focused on UNHCR's objectives but on the partner's own objectives.</p>		Strategy	Possible	Medium	Moderate Risk
	F (i) Large turnover of IPs in general, and IP staff in particular, may result in low return on investment on UNHCR's training and capacity-building.		Human Resources	Possible	Medium	Moderate Risk

1	Focus Area: Strategic Management and Governance		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>D (i) Competition for funds with NGOs, which at the same time are its operating or implementing partners, may negatively impact UNHCR's partnership relations.</p> <p>D (ii) Inability to seek refunds from IPs for funds lost or wasted could result in significant financial losses to UNHCR.</p>		Financial	Likely	Low	Moderate Risk
XIV	Interagency relations			Possible	High	Higher Risk
	<p>A (i) Inadequate engagement, or disengagement, with other agencies at Headquarters, regional and local level, could result in UNHCR missing out on opportunities that interagency partnerships can provide and negatively impact UNHCR's image among the UN family members.</p> <p>A (ii) Inability to understand that interagency relations are not only a coordination tool but also a tool for learning and developing best practices, could result in lost opportunities for organizational development.</p> <p>A (iii) Losing focus on the UNHCR mandate, becoming self-interested, and seeing UNHCR's key role as a political player rather than operational agency could result in interagency relationship activities becoming an obstacle to programme delivery.</p> <p>A (iv) Lack of a culture of coordination with other UN agencies could negatively impact UNHCR's capacity to relate to and work with other agencies, and ultimately also affect its fundraising efforts.</p>	<p>The need to nurture interagency relationships is gaining more and more ground in UNHCR as a result of the Humanitarian Aid Reform and the "Delivering as One" concept. UNHCR is an active member of the Inter Agency Standing Committee and its relevance in the context of international humanitarian response was recognised when UNHCR was designated as Global Cluster Lead Agency for the Protection Cluster and co-Lead in the Global Camp Coordination and Camp Management and Global Emergency Shelter Clusters in response to humanitarian emergencies. UNHCR is also fully engaged in other UN coordination bodies like CEB, UNDG, HLCP, HLCM, and ECHA. UNHCR participates in the Delivering as One initiative and continues to play a leading role in the activities of the Global Humanitarian Platform aimed at enhancing partnership by, inter alia, disseminating and implementing the Principles of Partnership.</p>	Strategy	Possible	High	Higher Risk

1	Focus Area:	Strategic Management and Governance		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>B (i) Lack of coordination among UN agencies, which have different mandates, objectives, and operational approach than UNHCR may result in UNHCR having more difficulties in delivering assistance to refugees.</p> <p>B (ii) With the UN Cluster Approach, a coordinated structure for IDPs among the UN agencies may not be in place, leaving a risk of confusion and superimposing heavy bureaucracy on operations.</p>	UNHCR is the only UN agency mandated to protect and assist refugees and, therefore, while remaining a cooperative partner with other UN agencies, it knows it needs to maintain its pre-eminence in the area of forced displacement.	Governance	Possible	High	Higher Risk
	<p>E (i) Being the lead agency for Protection and other cluster activities, UNHCR may be called upon to respond to needs in areas where it is not operational, or where it does not have a mandate, resulting in UNHCR not having an appropriate set up and resources to play an effective role.</p> <p>E (ii) The political nature and chemistry of interagency relations may in some cases lead to time and effort spent on meetings, writing emails and policy papers, and overall coordination in general, at the expense of actual programme delivery.</p>	UNHCR is an operational agency which is by nature used to working in partnership with implementing and operational partners. If a situation arose that called for UNHCR to respond to needs in areas where it is not operational, the organization would draw on its partners to provide the services required.	Operational	Possible	Medium	Moderate Risk
XV	Donor relations			Possible	High	Higher Risk
	B (i) Viewing donors solely as a financial source could result in UNHCR's inability to activate donors to achieve political solutions to refugee situations.	UNHCR has a Donor Relations and Resource Mobilisation Service.	Governance	Remote	High	Moderate Risk
	D (i) Lack of effective donor relations may result in UNHCR being by-passed in funding decisions by the donors, in favour of other UN agencies or NGOs.		Financial	Possible	High	Higher Risk

1	Focus Area: Strategic Management and Governance		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
XVI	Media relations and Public affairs		Possible	Medium	Moderate Risk	
	<p>A (i) Inadequate promotion of its image could result in UNHCR losing donors and losing identity.</p> <p>A (ii) Lack of a clear and effective Public Information strategy may result in the inability to ensure a consistent and global dissemination of information on UNHCR.</p> <p>A (iii) Lack of strategy and preparedness for UNHCR to properly respond to criticisms from governments and NGOs working with UNHCR could lead to a negative perception of UNHCR in the public eye.</p> <p>A (iv) Inadequate balance between the imperatives of protection activities and the necessity to maintain good relations with the governments, who are also UNHCR's donors, may result in reduction of contributions from a particular country.</p> <p>A (v) Inability of UNHCR's media and communication strategy to give equal attention to both advocacy and fund raising (private and public) could carry a risk of the Organization becoming silent on some protection issues which may ultimately damage its credibility.</p>	Media and other PI campaigns are pursued to this effect. A Public Information strategy was developed in 2000, but has not yet been fully implemented. There are also communication and media guidelines.	Strategy	Possible	Medium	Moderate Risk
	<p>G (i) Lack of experienced journalists pre-positioned throughout UNHCR field offices could result in gaps in the information flow.</p> <p>G (ii) Inadequate controls on the external dissemination of information may result in sensitive information being used for illicit purposes.</p>	UNHCR has confidentiality guidelines and authorisation of release of information is subject to several layers of authorisation.	Information Resources	Remote	High	Moderate Risk

1	Focus Area:	Strategic Management and Governance		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	D (i) Lack of positive visibility in the public may negatively affect the success of fundraising activities resulting in decreased funds.		Financial	Possible	High	Higher Risk
XVII	Executive Committee and other governance structures			Remote	High	Moderate Risk
	<p>B (i) Governing Bodies' interference in management issues could result in confusion about the respective roles and responsibilities, and an inefficient managerial decision-making process.</p> <p>B (ii) Traditional UNHCR right of initiative in the areas of Protection may be challenged by member States who may wish to see matters of relevance to their national interest(s) debated, diluting UNHCR's independent decision-making power when it comes to Protection.</p> <p>B (iii) Political stalemates on important refugee protection matters could arise due to the fact that not all members of UNHCR Executive Committee have signed the 1951 Refugee Convention and its 1967 Protocol.</p>	<p>Para.2 of the Statute of UNHCR calls upon the Governments to co-operate with the High Commissioner in the performance of his functions. The role of the Executive Committee is to advise the High Commissioner. Duties of the Executive Committee are defined in GA resolution 1166 (XII). Policy guidance and directive are provided by the General Assembly or ECOSOC (GA resolution 428(v) Annex, article 3).</p> <p>Only six of the 76 EXCOM member countries are not Party to the 1951 Refugee Convention and its 1967 Protocol.</p>	Governance	Remote	High	Moderate Risk

1	Focus Area: Strategic Management and Governance		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>B (iv) Lack of an independent audit or oversight committee to serve as a subsidiary expert body to the ExCom on oversight matters could result in Member States and donor community not obtaining an independent perspective and a process of constructive challenge to the risk, control, governance and accountability processes established in the organization, including the associated audit and assurance processes.</p>	<p>The Executive Committee functions as a subsidiary organ of the General Assembly and currently has only one subsidiary organ of its own: the Standing Committee. At its forty – sixth session in October 1995 , the Committee discontinued those subsidiary organs it previously had, the Sub-Committee of the Whole on International Protection and the Sub-Committee of the Whole on Administrative and Financial matters and replaced them with the Standing Committee. Since then Committee has not expressed the desire for any subsidiary expert bodies.</p> <p>The Executive Committee currently receives independent audit perspective from:</p> <ul style="list-style-type: none"> a) The Board of External Auditors (yearly report and access to all reports on UNHCR programmes) b) The Office of Internal Oversight Services of the United Nations (yearly report to the Executive Committee and copies of all OIOS reports) 				

Risk Assessment of : UNHCR

2	Focus Area: Financial Management		Possible	Medium	Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
1	Financial and Budgetary management strategy, policies and procedures			Possible	Medium	Moderate Risk
	B (i) Failure to ensure sufficient resources and management support behind the adoption of the International Public Sector Accounting Standards (IPSAS), may result in UNHCR's inability to implement the required polices and procedures in an effective and timely manner.	UNHCR is actively working on the adoption of IPSAS together with the inter-agency partners. The UNHCR IPSAS Project Coordination team is now composed of two dedicated senior staff members. In addition, five working groups (25 part-time resources) have started working on major areas of review in UNHCR. Financial resources have also been committed to the implementation of IPSAS.	Governance	Remote	High	Moderate Risk

2	Focus Area: Financial Management			Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>E (i) Weak cost consciousness within the Organization as a whole, in particular lack of metrics or incentives to reduce cost, could result in wastage of financial resources.</p> <p>E (ii) Outdated and inconsistent guidance on financial management, especially if not enhanced or aligned with MSRP functionalities, may lead to inefficiencies or errors in financial management.</p> <p>E (iii) Inflexibility in applying UNHCR financial rules and regulations for specific field circumstances, in particular emergency operations, may result in inefficient operations and delays in programme implementation.</p>	<p>A redesign of the resource allocation process has been conducted recently. The new Revised Framework for Resource Allocation and Management Framework has been complemented by a Budgetary Internal Control Framework and a Financial Internal Control Framework. MSRP IT systems have been enhanced correspondingly. Decision-making has been moved to the budget holders closer to the point of delivery. This has improved the general cost consciousness within UNHCR.</p> <p>New organizational changes have been implemented simultaneously. The new Budget Committee will take strategic decisions on financial aspects or resource allocation and reallocation, and ensure development and application of relevant budgetary parameters. A Programme Budget Service and Operational Performance Support Section have also been created under the auspices of the Division of Financial and Administrative Management (DFAM).</p>	Operational	Possible	Medium	Moderate Risk

2	Focus Area: Financial Management			Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>E (iv) Internal controls built into MSRP, as well as monitoring controls at Headquarters, may not be effective, as a result of which the financial and budgetary authority delegated to the field - in terms of flexibility in adjusting budgets, moving funds between admin and programme budgets, and moving money between countries in the region - may not be implemented efficiently, effectively, economically and ethically.</p> <p>E (v) With more financial signing authority (Delegation of Authority Policy - DOAP) delegated to the field, managers may not be fully aware of their role and responsibilities regarding DOAP.</p> <p>E (vi) DOAPs may not be updated regularly after each change of authorized personnel, resulting in potential abuse of the financial signing authority.</p>	<p>The Financial Internal Control Framework (FIFC) established in 2006 replaced the previous Delegation of Financial Signing Authority. FIFC is closely aligned with the implementation of MSRP. Several new features were implemented in MSRP to facilitate more effective financial control over the delegation of authority to budget owners. MSRP defines authority levels and controls system access security. DFAM Finance Section assists Representatives and Senior Managers in creating DOAPs and approves them, including all subsequent changes. Only after their approval is the information passed on to MSRP Security to implement the changes to system security access.</p> <p>UNHCR's new Budgetary Internal Control Framework (BICF) is to help implement effective budgetary controls. It defines roles in the budget management process and incorporates these roles in the Budgetary Control Plan for each Unit. The use of automated System Controls in MSRP is optimised in alignment with the BICF.</p>				

2	Focus Area: Financial Management		Possible	Medium	Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>D (i) Inefficient mechanism for the compensation for exchange rate losses might impact negatively the capacity of the Organization to deliver its programmes.</p> <p>D (ii) UNHCR may not be able to obtain the best exchange rate in some countries, especially in those that have both an official government rate and an unofficial market rate, which could have an impact on its programme budgets.</p> <p>D (iii) UNHCR's financial accounts may be qualified, seriously affecting its reputation and funding situation.</p>	<p>In the long-run the impact of foreign exchange movements has been largely neutral. The Treasury Management module of MSRP has improved the mitigation of foreign exchange impacts.</p> <p>On some occasions, UNHCR has been able to negotiate more favourable exchange rates with the local government.</p> <p>UNHCR only narrowly escaped qualification by the Board of Auditors of its 2006 financial accounts due largely to the unreliability of the implementing partner audit certification process.</p>	Financial	Possible	High	Higher Risk

2	Focus Area: Financial Management			Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>F (i) UNHCR Division of Financial and Administrative Management may not have the staffing capacity to provide adequate training and support to, and monitoring of, field offices on financial management resulting in inefficiencies and high risk of errors.</p> <p>F (ii) Lack of skills and knowledge of staff in the field to work with MSRP could result in errors or important controls not adequately and systematically performed.</p> <p>F (iii) Lack of qualified finance staff during emergency operations may result in improper procedures being followed, inefficiencies and duplications, and loss of financial resources.</p> <p>F (iv) Managing XB resources may strain staff capacity, at the expense of actual mandated protection work, due to increased focus on fundraising, project control and monitoring, and reporting to donors.</p>	<p>Due largely to the migration to MSRP, some countries request extensive support from DFAM. Support to the field offices is provided, with the resources available, by the Finance Section in HQ.</p> <p>There is a good deal of emphasis on new MSRP systems, and MSRP is relied upon to improve overall financial management. There is ongoing training in all aspects of MSRP for staff at all levels. This applies equally to the technical operation side of MSRP and the management side.</p>	Human Resources	Possible	Medium	Moderate Risk
	<p>G (i) Lack of similarity in the reports produced by different UNHCR sections at both Headquarters and in the field using MSRP could lead to inaccurate financial information used for decision making and donor reporting.</p>	<p>Since the implementation of MSRP, reports have been produced on an “ad hoc – as needed” basis by different sections without centralized control or common rules ensuring consistency. There is an ongoing process to clean up and rationalize the reports available. Once done, they will be incorporated as standard reports and included in the Finance Manual.</p>	Information Resources	Likely	Low	Moderate Risk

2	Focus Area: Financial Management		Possible	Medium	Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
II	Accounting and Financial reporting		Possible	Low	Lower Risk	
	<p>E (i) The manual nature of the payroll process requires processing a large number of recurrent transactions which may result in inefficiencies and risk of errors.</p> <p>E (ii) Salary payments to staff in the field may not be properly controlled, resulting in overpayments, including double-payments to the same staff member.</p> <p>E (iii) Inadequate control over the banking information in the field could result in risk of errors and even fraud.</p> <p>E (iv) Weak monitoring of the suspense accounts may result in long outstanding and chronic receivables and cash in transit, and inability to hold relevant staff members accountable.</p> <p>E (v) Lack of segregation of duties in financial management in the field could result in wrong-doing and financial losses to UNHCR.</p>	<p>As soon as MSRP is fully rolled out, UNHCR Finance Manuals and supporting instructions will be updated. While in general basic internal controls will not change - some of them will be in the system such as 'three-way matching'. All of this needs to be translated into a Finance Manual and guidelines. Many risks related to the payroll have been mitigated by the introduction of the HR module of MSRP.</p> <p>The recent introduction of MSRP Treasury Module (TMS) significantly improved the management control over the banking operations.</p>	Operational	Possible	Low	Lower Risk

2	Focus Area: Financial Management			Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>E (vi) Language barriers to understand the nature of the supporting documents, absence of proper receipts in some least-developed countries, or not knowing the 'real' price for the goods/services, could result in UNHCR Finance staff's inability to assess the genuineness of receipts, and lead to overstating of expenditures by suppliers and claims by staff members (e.g. Medical insurance claims).</p> <p>E (vii) Inability to claim back advances made to external parties, such as contractors, IPs, or consultants, who can not fulfil their contractual requirements, may result in financial losses to the organisation.</p> <p>E (viii) Inability to verify valid reasons for obtaining salary advances by staff members may result in financial resources being unnecessarily tied up in receivables accounts and, thus, financial opportunity losses to the organisation.</p> <p>E (ix) Lack of reconciliation of the monthly closing balances between the FMIS Field records and MSRP General ledger could result in significant discrepancies, and even potential fraud indicators, being undetected.</p>	<p>For assessing medical costs under the MIP programme, standard costs are available for assessing most medical claims submitted by staff members.</p> <p>Contract committees approve large contracts and should assess capacity of contractor in relation to others, based on visits by UNHCR staff or previous experience.</p> <p>UNHCR rules and regulations are quite strict on providing salary advances to staff members.</p> <p>As there is no interface to do reconciliation automatically, it is done manually by printing out the closing and opening balances from both systems.</p>				
IV	Treasury			Possible	Medium	Moderate Risk
	G (i) Lack of a treasury management tool providing automated functionalities and support for cash flow and investment risk management could prevent the set up of efficient investment and hedging strategies.	The implementation of the Treasury Management System (TMS) in PeopleSoft has helped UNHCR in having a unified view on the treasury position and cash forecasting. TMS has enabled to automate and control functionalities in cash management and to support visibility and projection on cash flow movements.	Information Resources	Remote	High	Moderate Risk

2	Focus Area: Financial Management		Possible	Medium	Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	E (i) Cumbersome and inefficient procedures for authorizing banking signatories and too many bank accounts may result in the UNHCR Treasury not being able to provide updates of panel of bank signatories in a timely manner.	With the implementation of TMS, authorizing banking signatories has been addressed and automated through TMS and interfaced to MSRP HR module. Due to its presence in many countries and the decentralization of payments, UNHCR currently operates around 800 bank accounts. With TMS, there is a more centralized system for managing cash and making payments (except for invoices formulated in a very specific language). Overall, this should also reduce the need for so many bank accounts.	Operational	Possible	Medium	Moderate Risk
	<p>D (i) Errors in cash flow projections could result in inadequate funding of operations and therefore the non-implementation of critical programme activities.</p> <p>D (ii) Large number of cash movements between Headquarters and the field could result in UNHCR Treasury's inability to properly control cash movements and implement efficient cash management strategy.</p> <p>D (iii) Weak Treasury controls to validate field requests for replenishments could result in transfers of funds significantly exceeding operational and administrative requirements, and increase the potential for fraudulent activities.</p>	Cash flow projections have been addressed through the creation of Cash Flow View in TMS on a local bank account level, as well as on a consolidated global level. TMS together with the staged implementation of centralization of payments will result in enhanced transactional efficiencies and control of global cash management, resulting in reduced material cash movements between HQ and field accounts.	Financial	Possible	Medium	Moderate Risk

2	Focus Area: Financial Management		Possible	Medium	Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
V	Cash management and cash payments		Possible	Medium	Moderate Risk	
	<p>D (i) In some remote locations, UNHCR funds may have to be hand-carried, resulting in potential security risks to staff members, loss of financial resources, and interruptions in field office operations.</p> <p>D (ii) UNHCR may be unable to establish accountability when cash is lost, which in some cases may even result in legal risks to the Organization.</p> <p>D (iii) Inadequate banking facilities in field locations may result in the necessity to use money traders which is cumbersome and costly.</p> <p>D (iv) Insufficient application of financial procedures and weak internal controls may not enable accurate and complete accounting of cash payment transactions and to substantiate the bonafide use of funds.</p>	<p>Particularly in high-risk security environments without adequate banking facilities, UNHCR has to hand-carry cash. This is done on a voluntary basis. The UNHCR Manual provides basic instructions on the way to proceed with cash hand-carried from a location to another by UNHCR staff members. In other cases in order to transfer the risk, contracts are entered into with money traders.</p>	Financial	Possible	Medium	Moderate Risk

2	Focus Area: Financial Management		Possible	Medium	Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
VI	Fundraising and Resource mobilization		Possible	High	Higher Risk	Higher Risk
	<p>D (i) Lack of success in fundraising activities could affect UNHCR's capacity to implement its programmes and hence not meet its global strategic objectives.</p> <p>D (ii) UNHCR's dependency for the majority of its funds on a small number of donors may result in inadequate general funding or inadequate funding for certain operations and hence the non-achievement of programme objectives.</p> <p>D (iii) As UNHCR requires a minimum level of unrestricted contributions to be able to function efficiently and effectively and apply funds there "where needed most", its heavy reliance on earmarked funding may reduce UNHCR's capacity to respond to the identified needs of certain groups of refugees.</p> <p>D (iv) UNHCR may be too expensive for donors, if its overhead costs are perceived as too high, leading to some donors starting to channel funds through NGOs.</p>	<p>UNHCR has a large workforce at Headquarters (within the Division of External Relations) dedicated to fundraising. There are also country operations that are actively involved in local fundraising. For 2006, a total of \$ 672 million corresponding to 73 per cent of UNHCR's budget of \$1 billion came from only 5 donors. Earmarking of contributions by donors reduces the flexibility of UNHCR managers in allocating funds to the programmes identified by UNHCR management as high priority. UNHCR is very aware of this issue and makes every effort to reduce the amount of earmarking of funds by donors. Currently, some 20% of the XB funding is un-earmarked.</p> <p>Over the last years the level of contributions of the three top donors has decreased as a share of overall contributions (while the level of their contributions in absolute terms has increased substantially). Hence an increasing number of donors are supporting UNHCR's programme.</p> <p>One of the objectives of the Structural and Management Change process is to ensure that more funds will be made available for the beneficiaries by reducing UNHCR overhead costs.</p>	Financial	Possible	High	Higher Risk

2	Focus Area: Financial Management		Possible	Medium	Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>E (i) Lack of UNHCR Representatives' involvement in decentralized fundraising activities may result in UNHCR not maintaining its current level of contributions.</p> <p>E (ii) Lack of measures to hold the Representatives responsible for fundraising could result in inadequate fundraising activities initiated at the country level.</p> <p>E (iii) Communication between Division of External Relations, Regional Bureaux and country offices on local fundraising activities may not be effective, resulting in poor fundraising success at global and country level.</p> <p>E (iv) Poor programme performance could negatively affect the income by reducing global and local fundraising opportunities, as a result of loss of reputation and donor confidence.</p> <p>E (v) Inability to maintain good relations with other UN Agencies and NGOs, if UNHCR was to be perceived as an aggressive competitor in local fundraising, could result in loss of opportunities for local fundraising.</p>	<p>Since the donor governments have started to decentralize their decision-making at the field and regional level, UNHCR has delegated to the field Representatives key operational responsibilities for fundraising for approved activities. There are clear guidelines on how to access EC, CERF, Delivering as One funds and a number of MDTF funds. There are also clear guidelines on how to use NAM funds. These different guidelines are planned to be brought together into one overall office guidance document, and with training provided. For that purpose, DRRM has created a Field Support Unit and the new position of head of that unit joined in July 2008. DRRM also has initiated a number of pilot country operation strategies, with close involvement of the respective Bureaux and country offices. The issue that remains to be addressed are the respective accountabilities, particularly in case of failure in meeting the targets set in the strategic documents.</p> <p>The move toward the 'One UN' may reduce competition between UN agencies.</p>	Operational	Possible	High	Higher Risk

2	Focus Area: Financial Management			Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>F (i) UNHCR may not have sufficient staffing resources to manage and to report on fundraising activities carried out at the country or regional level.</p> <p>F (ii) Lack of adequately trained staff and expertise may result in UNHCR not being proactive enough in identifying projects and selling project proposals to prospective donors through the local coordination mechanisms.</p>	<p>Substantial funding has been received (including raised) through NAM which however is extra budgetary and thus does not support the financing of the approved programme.</p>	Human Resources	Possible	High	Higher Risk
	<p>B (i) UNHCR may lack an assertive enough relationship with its existing and potential donors, or its efforts may be targeted at those stakeholder groups who do not make the decisions on funding, resulting in fundraising being less effective.</p>	<p>A substantially increased number of annual consultations are organized between UNHCR and the donor governments.</p>	Governance	Possible	High	Higher Risk
	<p>A (i) Inability to react to the changing humanitarian arena (e.g. pooled funding concept in the Cluster Approach) could result in UNHCR being by-passed by donors in funding decisions.</p>	<p>UNHCR has not always been successful in meeting the pooled fund criteria of “life saving” for its activities (compared to food, water and health). Donors will not by-pass UNHCR as a result – yet some of the pooled fund donors will not be able or willing to make a direct contribution to UNHCR’s programmes in those countries that use the pooled fund mechanism. UNHCR tries to sensitize donors that there are further humanitarian activities beyond immediate life saving that need to be financed as well. A recent independent review of humanitarian financing mechanisms acknowledges this problem and calls for parallel bilateral funding in addition to the pooled funding mechanisms.</p>	Strategy	Possible	High	Higher Risk

2	Focus Area: Financial Management			Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
VII	Private Sector Fundraising			Possible	Medium	Moderate Risk
	<p>B (i) UNHCR's conservative attitude may not be sufficiently creative and persistent to successfully deal with the external market (non traditional donors).</p> <p>B (ii) Increased emphasis on the need to win private sector support may not be compatible with UNHCR's need to focus on its protection advocacy.</p> <p>B (iii) Excessive risk avoidance could lead to reluctance within UNHCR management to exploit private and institutional donors, resulting in limited success of UNHCR's PSFR efforts.</p>	<p>One of the performance targets of UNHCR's Global Strategic Objectives is to increase the level of funding from individuals, companies and foundations.</p> <p>UNHCR has a private sector fundraising (PSFR) global strategy and policy.</p>	Governance	Possible	Medium	Moderate Risk
	F (i) Lack of specialised expertise in dealing with private sector fundraising could result in failed achievement of UNHCR's fundraising objectives.	UNHCR Division of External Relations (DER) has been tasked with private sector fundraising (PSFR). There is a special support unit within DER dedicated to PSFR.	Human Resources	Possible	High	Higher Risk
	D (i) Lack of flexibility of the UNHCR budget structure may not create the conditions to set up a revolving fund (reserve), which would be essential for organizing some private sector fundraising activities (e.g. concerts).		Financial	Possible	Low	Lower Risk
	A (i) The overall objectives and strategy of UNHCR country offices engaged in PSFR may not be consistent with the Headquarters PSFR strategy, policy and guidelines, resulting in financial and credibility risks to the Organization.		Strategy	Possible	Medium	Moderate Risk

Risk Assessment of : UNHCR

3	Focus Area:	Human Resource Management		Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
1	Human resources strategy, policies and procedures			Likely	High	Higher Risk
	<p>A (i) Lack of full senior management commitment and holistic approach to the need to develop and implement a comprehensive Human Resources strategy for UNHCR, including all aspects of human resources management, could result in poor investment in human resources, and long-term negative implications on staff competencies and mandate delivery.</p> <p>A (ii) Inadequate attention to staff profiling, skills inventory and career development and counselling at the strategic level could result in UNHCR's inability to recruit, develop and retain valuable human capital.</p> <p>A (iii) The Human Resources Management model 'Civil Service Based Career Structure' consisting of offering a staff member a full career perspective with an indefinite contract, may lead to attrition due to incompatibility with UNHCR's expectations and inability of these staff to assume managerial responsibilities.</p>	<p>UNHCR has recognised that its staff profiles do not match UNHCR's present operational requirements: the workforce is ageing but the operational needs are looking for a more dynamic, flexible, younger and enthusiastic approach (particularly in hardship locations). UNHCR is therefore planning to conduct a Workforce Profiling exercise with the aim to align staffing policies and strategies with organizational needs. UNHCR's ongoing Field Review, as part of the Structural and Management Change project, is reviewing the composition and deployment of staff in the field.</p> <p>Career planning and support activities are also being strengthened with the recent full staffing of the UNHCR Career Planning Unit.</p> <p>The High Commissioner in 2003 decided to freeze the issuance of indefinite contracts. Staff members recruited since then are provided with a fixed-term contract and can be eligible for an indefinite contract only after five years. A revised Contracts Policy is presently under review and is a priority for UNHCR.</p>	Strategy	Likely	High	Higher Risk

3	Focus Area: Human Resource Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>B (i) Lack of UNHCR policy on geographical representation may result in inappropriate balance of staff and could give certain donor countries the opportunity to influence the staffing decision on recruitment or promotion.</p> <p>B (ii) Inability of the Division of Human Resources Management (DHRM) to play the role of a strategic service provider, in close collaboration with the Bureaux and country offices, may result in suboptimal deployment of staff and dissatisfaction with the services of DHRM.</p> <p>B (iii) Without the support of a proper Human Resources and Administrative structure, the UNHCR Representatives to whom more and more HR functions are delegated, may not have the capacity and ability to properly administer human resources in the field.</p>	<p>Unlike many other UN organizations, UNHCR is not quota-bound for recruitment as it is largely voluntary funded. However, geographical representation is a criteria for managers in making suitability determination (APPB Reg. 86). In addition, the High Commissioner has issued verbal instructions to ensure that geographical representation is duly taken into consideration for external recruitment.</p> <p>Career planning is in the process of being strengthened for DHRM to assume the responsibilities of a strategic service provider in close collaboration with the Bureaux and Country Offices.</p>	Governance	Possible	Medium	Moderate Risk

3	Focus Area: Human Resource Management			Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>F (i) Insufficient attention to the question of specialist functions could generate excessive costs for operations and result in less flexibility for UNHCR.</p> <p>F (ii) Lack of adequate incentives for working in hardship duty stations may make UNHCR less competitive in an increasingly crowded humanitarian market and affect its ability to attract staff to some duty stations.</p> <p>F (iii) Operating in increasingly difficult circumstances, especially in volatile security situations, may have a significant impact on the availability of candidates for some UNHCR operations.</p> <p>F (iv) Lack of measures to terminate the employment of General Service staff at Headquarters when their posts are no longer considered necessary could result in unjustified staff costs.</p> <p>F (v) Low number of national officers in country offices could result in weak level of local expertise available in the office, inability to effectively build local capacity and an upward trend in international staff salary costs.</p>	<p>With the implementation of the UN Cluster approach together with the decentralization and regionalization process, UNHCR is in a situation where it needs to consider contracting technical specialists in various sectors (e.g. health, water, education) or obtaining them as contributions from other UN organizations. This is also part of the UNHCR Field Review.</p> <p>UNHCR harmonizes with other UN Agencies on all Special Entitlements and has already implemented a Fast Track Policy for staff working in hardship duty stations. The Fast Track Policy was introduced to encourage staff to apply to increasingly difficult volatile duty station locations. Special entitlements and the R&R Framework were introduced to ameliorate work-life balance for staff separated from families or to alleviate isolation.</p> <p>Following recommendation by the Joint Advisory Committee, the High Commissioner recently approved Guidelines for Comparative Review of General Service staff at Headquarters and in the Field.</p> <p>The plan to increase the use of National Officers is being examined as part of the Field Review.</p>	Human Resources	Likely	High	Higher Risk

3	Focus Area: Human Resource Management			Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>E (i) Working according to old functions and processes could result in lower efficiency if DHRM staff do not fully benefit from MSRP functionalities.</p> <p>E (ii) Staff rules and procedures may be too cumbersome and inflexible to match UNHCR's operational requirements, resulting in important human resources not used efficiently.</p> <p>E (iii) Rigidity of the recruitment process may affect UNHCR managers' flexibility to plan and organise the operations under their responsibility effectively which could negatively impact programme delivery.</p> <p>E (iv) Inadequate authority of Representatives in the field to recruit international staff may result in recruitment delays or mismatch of person and his/her skills and the post.</p>	<p>UNHCR has been defining, redesigning and documenting the HR processes in order to streamline and automate them within MSRP.</p> <p>UNHCR is intrinsically linked to the UN Staff Rules, however, within these parameters there have been a number of measures introduced to simplify HR procedures and there are ongoing revisions of policies. UNHCR's Staff Administration and Management Manual (SAMM) is compiled to serve as a consolidated information and reference handbook for personnel policies, procedures and practices in UNHCR based on the UN Staff Rules.</p> <p>UNHCR managers in the Field have flexibility and delegated responsibility for hiring of local staff. APPB meetings allow recruitment of external applicants once the post is advertised externally. Priority is given to internal applicants. For expert posts, the manager may recommend the post to be advertised internally and externally.</p> <p>UNHCR's policy remains with centralized recruitment of international staff members.</p>	Operational	Likely	High	Higher Risk

3	Focus Area: Human Resource Management			Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>E (v) Extensively long post vacancies may result in UNHCR failing to perform key functions.</p> <p>E (vi) UNHCR's fast-track deployment procedures may be too slow and inefficient, with a negative impact on programme implementation in emergency operations.</p>	<p>UNHCR has an existing Vacancy Management Timeframe (APPB Reg. 24 refers).</p> <p>The improved Fast Track system has been designed and was introduced in May 2008. A number of modifications were made to the old model in an effort to reduce the timeframe of deployments. The timeframe from advertisement to deployment of the selected staff has been reduced from 5 to 2 months.</p>				
	<p>G (i) Lack of or inadequate technological tools in staff selection/recruitment process may lead to inefficiencies and risk of not getting the right people in the right place at the right time.</p>	<p>The introduction of MSRP now facilitates the selection/recruitment process.</p>	Information Resources	Possible	Medium	Moderate Risk
	<p>C (i) If the vacancy management process is not transparent and based on merit and performance, staff morale and motivation could be negatively affected.</p>	<p>Full compliance with SAMM and the Staff Rules is expected.</p>	Compliance	Possible	High	Higher Risk

3	Focus Area: Human Resource Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
II	Staff conduct and discipline			Likely	High	Higher Risk
	<p>B (i) Lack of strong management skills, insufficient sanctioning and unwillingness to look critically at the performance may lead to UNHCR Representatives making decisions or committing actions that do not serve the best interests of UNHCR.</p> <p>B (ii) Lack of a direct relationship between audit and inspection reports and the performance appraisal process may result in staff not formally being held accountable for their actions.</p> <p>B (iii) Absence of measures to make outgoing staff members (e.g. due to re-assignment) accountable for their actions and results may lead to a culture of poor accountability.</p>	<p>Efforts have been made to better hold managers and staff accountable for their actions and to sanction them more effectively for proven wrongdoing and mismanagement. Nonetheless, UNHCR management recognises that UNHCR lacks an accountability framework that would be an integral part of the management and staff performance system. The revision of the Performance Management Policy and the Accountability Framework are expected to strengthen the system.</p> <p>In case of re-assignments even to other UN organizations, inter-agency cooperation allows for continuation of investigation.</p>	Governance	Likely	High	Higher Risk

3	Focus Area: Human Resource Management			Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>C (i) Working in remote areas and difficult environments may create conditions that expose UNHCR staff to compromise integrity and act in unethical manner.</p> <p>C (ii) Sexual Exploitation and Abuse by UNHCR or Implementing Partners' staff may go undetected or not given adequate attention by UNHCR management resulting in serious reputation risk to the Organization.</p>	<p>UNHCR has declared zero-tolerance policy for misconduct; increased the number of investigations; and built more awareness on ethics (Code of Conduct and training).</p> <p>After the incidences of sexual exploitation and abuse on refugees in West Africa, UNHCR revised in May 2003 its Guidelines on Sexual and Gender-Based Violence in Refugee, Returnee and Displaced Situations. UNHCR also has Guidelines on International Protection - Gender-Related Persecution, published in May 2002. Compliance with the Secretary-General's Bulletin on Special Measures for Protection of Sexual Exploitation and Abuse is also mandatory for all staff.</p> <p>EXCOM conclusion No. 98 (LIV) - 2003 called upon States, UNHCR and its implementing and operational partners to ensure that appropriate systems are in place to prevent and respond to sexual and gender-based violence, including sexual abuse and exploitation, ensuring the needs of women and children, as well those of vulnerable persons, are addressed at all times.</p>	Compliance	Likely	High	Higher Risk
	F (i) Staff members may be subject to workplace harassment which could have serious implications on their health and well-being.	The UN training programme on the Prevention and Harassment in the Workplace is mandatory for all staff. Staff Welfare Section undertakes regular missions to Field Offices.	Human Resources	Possible	High	Higher Risk

3	Focus Area: Human Resource Management			Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
III	Workforce profile			Likely	High	Higher Risk
	<p>A (i) Inadequate balance between the number of staff in Headquarters versus in the field may result in ineffective programme delivery.</p> <p>A (ii) Inadequate focus on ensuring that management appointments are made on the basis of sound managerial and people management skills, rather than their substantive expertise, could lead to an overall weak management culture in UNHCR with significant long-term implications on UNHCR operations.</p>	<p>The Structural and Management Change process has been changing the balance between staff at Headquarters and in the field. As a first step to streamline Headquarters functions, as part of the so-called Headquarters Review, many of the back office functions - finance, HR and supply - have been outposted to Budapest. The ongoing Field Review is further looking into determining the appropriate balance between international staff, national staff and additional workforce arrangements. This includes an assessment of the balance between staff deployed to capitals and staff deployed to field.</p> <p>UNHCR has an Appointments, Posting and Promotions Board (APPB) for professional staff and Procedural Guidelines for Appointments, Posting and Promotions. The Global Survey in 2007 highly criticized the promotion process particularly in its objectivity and transparency. Significant changes are foreseen, including related to the composition of the APPB and its procedures. This is planned to be finalised by the end of 2008.</p>	Strategy	Possible	High	Higher Risk

3	Focus Area: Human Resource Management			Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>F (i) Appointing staff to operations with new areas of responsibility, or generalists to specialist posts, may result in inefficiencies, as there may be a lack of familiarization with the job and the staff member may have a long learning curve prior to performing the function effectively.</p> <p>F (ii) Inability to find competent technical expertise commensurate with some of UNHCR's key programme activities may jeopardize the implementation of programmes.</p> <p>F (iii) Lack of qualified administrative staff, and staff in managerial positions lacking experience on administrative matters, may result in decisions being made and transactions approved without understanding the consequences.</p> <p>F (iv) Lack of the right mix of skills, including political skills, of staff in senior positions might impair UNHCR's ability in the field to maintain the neutral and impartial character of the work of the Organization.</p> <p>F (v) Lack of senior staff willing to be assigned to some field operations may result in inability to appoint people with the right profile or staff with the necessary experience.</p>	<p>The planned Workforce Profiling is aimed at addressing the staff and competency profile required to achieve UNHCR's mandate. Specific attention will be given to skills and competency requirements at any new location and activity. The balance between international staff members, national officers, and others like UNVs and secondees, is being reviewed as part of the Field Review. This review is also looking into incentive schemes and other adjustments to procedures which could impact positively on senior people deployed to hardship duty stations.</p> <p>The comprehensive reform of the appointments and rotation policy which is presently under discussion should address this risk.</p>	Human Resources	Likely	High	Higher Risk
	<p>F (vi) Inadequate pre-selection process of field representatives could result in not assigning the right person for the job.</p>	<p>The Director of the Bureau selects one candidate and submits his selection to the APPB which advises the High Commissioner. The High Commissioner can use his own discretion in appointments.</p>				

3	Focus Area: Human Resource Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
IV	Rotation policy			Likely	High	Higher Risk
	<p>F (i) Rotation at UNHCR may not sufficiently take into account staff members' skills and capabilities resulting in skills not matching the required expertise for the function.</p> <p>F (ii) Inability to link the rotation policy with individual career planning could result in rotation being merely a random exercise, and its benefits being partially lost.</p> <p>F (iii) The rotation policy may contribute to a reduction of the in-house expertise and competency of UNHCR's workforce, as it tends to treat everybody as generalists and underplay specialists.</p> <p>F (iv) The rotation policy is not "family friendly" and may deter competent staff from applying for posts in some duty stations.</p> <p>F (v) Extensive amount of time spent by the staff members on looking for and applying for new posts may affect productivity.</p>	<p>UNHCR's policy on rotation is on the principles governing the recruitment and reassignment of International Professional staff in the UN Charter & the UN Staff Rules and Regulations. UNHCR's complex operational environment calls for a highly mobile workforce. Mobility between duty stations has allowed UNHCR to better serve its organizational goals and objectives rapidly and effectively deploying valuable expertise to its operations worldwide. Mobility of international staff members in the context of career related rotation prepares staff to operate in different cultures, international environments and functions. It increases UNHCR's flexibility, responsiveness of strategic planning as well as the effectiveness of programme delivery. The planned revision of the rotation policy takes into consideration the demands that mobility places on staff member's and their families and consideration will be given to recognized family and other special constraints to the extent possible. SAL's can be extended for a period normally not exceeding one year.</p>	Human Resources	Likely	High	Higher Risk

3	Focus Area: Human Resource Management			Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>F (vi) The rotation policy may result in a lack of gender balance, as it makes it difficult for many women to continue a career in UNHCR.</p> <p>F (vii) The rotation policy may affect the staff welfare as it is stressful for staff to be looking for new assignments every 2 to 4 years.</p> <p>F (viii) The application of the rotation policy may increase the difficulties of matching language skills and the needs in other than English speaking countries.</p> <p>F (ix) The rotation policy may be counter-productive to change management and continuous improvement, as staff on short Standard Assignment Length (SAL) duty may have less of an opportunity or appetite to make fundamental changes in their field of work.</p> <p>F (x) The rotation policy may feed the perception that all staff can move from one operation to another without the need for formal handover procedures or training. This could negatively affect the consistency and continuity of operations.</p>	<p>UNHCR has a Gender Policy but the percentage of women in UNHCR is less than a third of the workforce. This issue continues to be addressed in UNHCR.</p> <p>UNHCR has a Special Constraints Panel that may decide to prolong staff member's stay in a duty station for some period of time for special reasons.</p> <p>Rotation is a human resources management tool not only for UNHCR to fulfil its operational requirements more effectively but is also an integral part of staff career development. Language training is available for staff to improve their skills.</p> <p>Handover procedures are part of departure formalities of staff members when they depart from one operation to another. It is also indicated in the UNHCR Reassignment Brochure.</p>				

3	Focus Area: Human Resource Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
VI	Short-term staff			Possible	Medium	Moderate Risk
	<p>F (i) Over-reliance on non-UNHCR personnel (UNVs, consultants, staff with Service Agreements), especially if in core protection functions which are central to UNHCR's mandate, might have a negative impact on productivity and credibility, as well as staff morale and cohesion.</p> <p>F (ii) UNHCR's staff rules and procedures may not allow for timely hiring of technical staff resulting in significant reliance on outside personnel and in the lack of development of in-house knowledge and skills.</p> <p>F (iii) Lack of capacity to properly train and monitor non-UNHCR personnel may affect the delivery of the assistance to UNHCR beneficiaries.</p> <p>F (iv) Use of a large additional non-UNHCR workforce may be not properly reported on, resulting in the lack of transparency in UNHCR's 'staffing' numbers.</p> <p>F (v) Converting national posts to UNV's due to cost reductions may result in lack of continuity and loss of institutional memory in UNHCR offices.</p>	<p>The Field Review is looking into developing guidelines to define and clarify the processes and criteria required for the use of short-term staff and other "additional workforce". The feasibility of creating a "one-stop shop" for additional workforce arrangements is being considered.</p> <p>The International Professional Roster is expected to at least partly mitigate this risk.</p> <p>Use of non-UNHCR workforce is limited to ensure this does not occur.</p> <p>Field Offices are in the process of increasing the number of National Officer posts.</p>	Human Resources	Possible	Medium	Moderate Risk

3	Focus Area: Human Resource Management			Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
VII	Recruitment of national staff			Likely	Medium	Higher Risk
	<p>F (i) UNHCR representations' inability to assess and select the most competent and qualified staff for vacant positions may affect programme delivery.</p> <p>F (ii) Lack of objectivity and transparency in local recruitment may result in poor staff morale.</p> <p>F (iii) Local skills and expertise may not be available in certain areas where UNHCR is establishing new operations, resulting in extended vacancies and lack of resources to perform the key functions.</p>	<p>Selection of staff is undertaken by a Panel interview with the Representatives, as relevant to the level of the post.</p> <p>SAMM procedures provide instructions for recruitment and the establishment of local APPC's for GS staff and the centralized APPB procedures for National Officer staff which should rule out any lack of objectivity and lack of transparency.</p> <p>Staff members are recruited locally from other duty stations to avoid such problems.</p>	Human Resources	Likely	Medium	Higher Risk
	E (i) Inadequate background checks of candidates at recruitment could result in recruiting incompetent or unethical staff.	Background checks are always carried out even in field when recruiting local staff. However, at the same time short FTA's are granted to newly recruited staff to prove themselves capable and efficient in their given functions.	Operational	Possible	Medium	Moderate Risk
VIII	Succession planning			Likely	High	Higher Risk
	F (i) Lack of succession planning may result in shortage of properly trained and competent managers and staff with the necessary expertise and knowledge of UNHCR activities and operations, which could affect the level of achievement of both UNHCR's global and country level objectives.	The full implementation of the Management Learning Programme (MLP) is expected to prepare senior staff to take up managerial positions and contribute to better succession planning.	Human Resources	Likely	High	Higher Risk

3	Focus Area: Human Resource Management			Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
IX	Performance appraisal system			Likely	High	Higher Risk
	<p>F (i) Lack of willingness to report on under-performance may lead to poor quality of the performance evaluation and an incorrect overall picture of staff performance.</p> <p>F (ii) Honest feedback may be avoided by management due to fear of rebuttals and appeals by staff members.</p> <p>F (iii) The skills required to perform in UNHCR's changing environment (such as working in the UN Cluster Approach) may not be reliably assessed and reflected in the PAR resulting in appointment of staff members for posts, who have not demonstrated the required skills.</p> <p>F (iv) Lack of a formal link between performance management and development or training activities may result in the PAR system not serving its main purpose.</p>	<p>The Performance Appraisal Reporting (PAR) system lacks credibility and trust within the Organization. Action is being taken to revise the policies and procedures. The performance management process and PAR form have been redesigned. A Performance Management Reference Group has been established to review and provide guidance on the core and managerial competencies and indicators. MSRP is expected to include an e-performance component.</p> <p>UNHCR has also recognized that it needs to find ways to establish a formal link between performance management and other HRM processes such as learning and development, competency management, promotion, etc.</p>	Human Resources	Likely	High	Higher Risk

3	Focus Area: Human Resource Management			Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>B (i) Lack of integrity and credibility of the performance management process may lead to its outcome not being seriously taken into consideration in the decision-making processes, including in appointments and postings.</p> <p>B (ii) Lack of effective sanctions mechanisms for underperformance may lead to underperforming employees setting a bad example for the rest of the staff and a perception of culture of impunity in the Organization.</p> <p>B (iii) Lack of a systematic mechanism or reluctance to reward good performance and provide incentives to increase efficiency may result in reduced productivity and inability to retain the best staff.</p> <p>B (iv) Lack of mechanisms to verify what is reflected in the Performance Appraisal Reports, in particular the criteria for ratings, may result in UNHCR managers not being held accountable for their evaluations.</p>	Policies and procedures in place are disseminated regularly to managers and staff and regular updates are issued to highlight the importance of effectively managing performance. Training is also provided to managers on how to deal with performance in an effective and consistent manner.	Governance	Likely	High	Higher Risk
	E (i) Inherent shortcomings in the rebuttal process (such as its complexity, tediousness, unclear composition of the panel, etc.) may not adequately compensate for weaknesses of the PAR process.	UNHCR has a Rebuttal Panel.	Operational	Likely	Medium	Higher Risk

3	Focus Area: Human Resource Management			Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
X	Training and staff development			Possible	High	Higher Risk
	A (i) Lack of a well defined strategy for developing a strong management culture and good leadership skills may cause dissatisfaction and be a push/deterrence factor at the level of middle managers and, in the longer-term, result in poor overall management competency.	UNHCR has a Management Learning Programme since 2005. UNHCR has also piloted a Strategic Leadership Programme targeting senior managers at P5 and D1 levels. There is also an ongoing project to design a Management Assessment Process.	Strategy	Possible	High	Higher Risk

3	Focus Area: Human Resource Management			Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>F (i) Lack of progress in developing the required skills profile of staff may affect the ability to design effective training and staff development programmes.</p> <p>F (ii) UNHCR's management development programme may be insufficient in some functional areas, resulting in staff assuming responsibilities and taking up positions without adequate training, skills and knowledge to carry them out effectively.</p> <p>F (iii) Induction training for UNHCR staff and managers may be insufficient resulting in poor overall performance of UNHCR.</p> <p>F (iv) Inadequate briefing of and initial guidance to new Representatives may result in inefficiencies in programme management in the field. As the pre-assignment missions have been discontinued, there is rarely an overlap between two representatives in a country operation.</p> <p>F (v) High turnover of staff, especially in hardship duty stations, may result in low return on investment on the training provided and frequent loss of institutional memory.</p>	<p>The Global Survey stated that UNHCR staff, in general, were of the opinion that they had the skills and competencies to do their job effectively, had access to training and learning opportunities and were given encouragement for self-learning by supervisors.</p> <p>There is a mandatory Protection induction programme to assist non-specialist managers in this core area of expertise.</p> <p>There is an induction training programme for emergency operations, under the responsibility of Division of Operational Support (DOS), to be completed by staff in the field.</p> <p>Senior management in Headquarters brief the new representatives.</p> <p>Upon completion of 1 year of SAL, staff member's may apply for advertised posts in the same duty station, category D/E and Fast Track or with reduced SAL requirements. Statistics show that many staff member's appointed to Fast Track posts extend after one year.</p>	Human Resources	Possible	High	Higher Risk

3	Focus Area: Human Resource Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
XI	Staff welfare			Likely	High	Higher Risk
	<p>F (i) Absence of a minimum living conditions policy for field offices may result in staff continuously living in sub-standard conditions with an adverse effect on their physical and mental health.</p> <p>F (ii) Lack of private accommodation in many UNHCR locations, forcing staff to share both living and office premises with their colleagues, can in the long term negatively affect staff welfare, staff morale and interpersonal relations.</p> <p>F (iii) Working in war and conflict zones may have a negative impact on the morale and well-being of staff.</p> <p>F (iv) Direct exposure to refugee experiences that are being shared with UNHCR staff may cause mental stress among UNHCR staff.</p> <p>F (v) UNHCR recruitment procedures may be inadequate in assessing the motivation and aptitude of staff members to go to difficult duty stations (e.g. stress resistance, dealing with isolation and co-habitation with other staff).</p> <p>F (vi) Inadequate or impartial rotation decisions may result in increased staff health problems and other staff welfare issues.</p>	<p>85 per cent of UNHCR staff are in the Field. More than half of the locations are hardship duty stations. UNHCR is focusing more efforts on the staff welfare aspect. Initiatives include staff counselling, better access to Staff Welfare Officers, and training on stress management. In terms of minimum living and working standards in difficult duty stations, a total of \$3.5 million has been allocated for improving priority locations.</p> <p>The R&R framework allows the absence of staff members in hardship locations 5 days off every 6 weeks in serious conflict zones such as Afghanistan, Iraq & Somalia, and 8 weeks in locations with Security Phase II and above. R&R provides staff members with time-off which can be combined with Annual Leave. A revision to the APPB Regs. in 2006 introduced a SAL for D duty stations of 3 years and 2 years for E & non-family duty stations. In specific duty station locations, DHRM has exceptionally considered the location under an 'As if' non-family status and has granted SOA status to the location. This is dealt with on a case-by-case basis bearing in mind the need to harmonize with other UN Agencies and remaining within the Inter-Agency Framework.</p>	Human Resources	Likely	High	Higher Risk

3	Focus Area: Human Resource Management			Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>F (vii) Family duty stations with inadequate facilities may result in high stress to staff and other health incidences.</p> <p>F (viii) Lack of qualified and competent human resources staff in the field may result in inability to recognize and refer staff welfare issues.</p> <p>F (ix) Rotation policy and the need to operate in hardship locations may be a cause for a high rate of divorces, separations, alcoholism, depression, and other implications.</p> <p>F (x) Inadequate "soft" and people management skills of UNHCR managers may result in neglecting staff welfare and motivation issues.</p>	<p>Medical Service provides support with the Staff Welfare Section and undertakes frequent missions to hardship locations. Staff Welfare Officer positions have been increased in UNHCR.</p>				
XII	Medical evacuations			Possible	High	Higher Risk
	<p>C (i) UNHCR Representations' lack of understanding of the policy with regard to the approval of payment of DSA and other costs related to medical evacuations, or their inability to consistently apply the policy, could result in risk of overpayments by UNHCR.</p>	<p>IOM/069-FOM/072/2007 was issued as an updated policy guideline for Medical Evacuations in December 2007.</p>	Compliance	Possible	Medium	Moderate Risk

3	Focus Area: Human Resource Management			Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>E (i) Absence of basic medical facilities and infrastructure in field locations may result in frequent evacuations of staff, which are expensive, cause disruption in activities and open the door for abuses.</p> <p>E (ii) Lack of coordination with other UN Agencies on medical evacuations may result in inefficiencies, inadequate preventive measures being applied, and uncontrolled overall costs to the UN.</p>	<p>UN has common Medical Facilities worldwide, provided by the Medical Services Division in New York.</p> <p>UNHCR has a contract with International SOS, based in Switzerland, which provides air ambulance services for medical evacuations of extreme urgency. However, in view of the extremely high costs (minimum US\$50,000) of using this service, it should only be resorted to in very exceptional circumstances.</p>	Operational	Possible	High	Higher Risk
XIII	Medical Insurance Plan			Likely	Medium	Higher Risk
	<p>E (i) The decentralization and the necessity to maintain confidentiality over the Medical Insurance Plan (MIP) claims may not allow the application of certain important internal control measures (such as segregation of duties and supervision), resulting in a high risk of fraud related cases.</p> <p>E (ii) Inadequate monitoring controls (such as analytical review tools) may result in lack of overview of medical claim trends and non timely detection of fraud cases.</p>	<p>In order to improve the management control over the MIP claims, UNHCR issued a Memorandum in May 2004 to all UNHCR Representatives asking them: to remind staff that the submission of fraudulent MIP claims could be ground for summary dismissal; to remind staff to strictly enforce MIP rules and regulations; to remind staff of their responsibility to ensure that proper administration of the MIP. Each Representative was given an example of the communication they were requested to send to all local staff members covered by MIP.</p> <p>The latest revised MIP Statutes and Internal Rules were issued as part of IOM/057-FOM/060/2007 in August 2007.</p>	Operational	Likely	Medium	Higher Risk

3	Focus Area: Human Resource Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
XIV	Entitlements			Likely	Medium	Higher Risk
	<p>C (i) Some entitlements are by nature easily subject to abuse by staff members. Fraudulent claims could result in financial losses to the Organization.</p> <p>C (ii) Disparities in the application or interpretation of entitlement rules may produce discrepancies and inconsistencies in the processing of entitlements.</p>	<p>Regular entitlements are centralized in Personnel Administration and Payroll Section (PAPS) with strict control mechanisms. Special entitlements such as SOLAR are closely monitored in the Field and control mechanisms are in place to avoid any overpayments.</p> <p>The Staff Administration Management Manual is available on-line to all staff and on updated CD-Rom to staff in deep field locations. For Education Grants, the most complex of entitlements, UNHCR also issues annual submission guidelines.</p>	Compliance	Likely	Medium	Higher Risk
	E (i) Recourse for staff appealing against the denial/disapproval of an entitlement may be slow and result in discontentment.	SAMM Chapter 3.26 deals with retroactivity of claims. Introduction of MSRP should address delays in dealing with claims.	Operational	Remote	Low	Lower Risk

Risk Assessment of : UNHCR

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	Procurement management			Possible	High	Higher Risk
	<p>B (i) The low hierarchical position of UNHCR's Supply Management Service (SMS) may limit the leverage to enforce or influence senior management decisions, which could have significant effect on procurement performance and overall cost of procurement.</p> <p>B (ii) UNHCR may not assess in a systematic manner the risks inherent in the procurement process, including the risks related to ethical breaches and wrong-doing.</p>	<p>UNHCR Supply Management Manual covers comprehensively the existing supply chain organization of UNHCR, including roles and responsibilities. UNHCR's Supply Management Service (SMS) is trying to set up a standard Supply Chain structure for different types of operations.</p>	Governance	Possible	High	Higher Risk
	<p>F (i) Lack of adequate training at the field level for procurement staff combined with difficulty in recruiting qualified and experienced staff may result in inefficiencies in procurement and non-compliance with UNHCR rules and procedures.</p> <p>F (ii) Limited career advancement in their areas of expertise within UNHCR, which is mainly caused by the rotation policy, may result in international supply and logistics officers frequently moving to other disciplines resulting in a loss of expertise to UNHCR.</p>	<p>The High Commissioner has made a commitment to strengthen the procurement function in UNHCR. A total of 10 new posts have been approved for Budapest, the outposted center, as well as Dubai, to strengthen the SMS capacity.</p>	Human 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
	<p>E (i) The roles and responsibilities of SMS and the Desks may no longer be clear following the implementation of MSRP, resulting in duplication or inefficiencies in procurement.</p> <p>E (ii) Preventive and detective mechanisms to address procurement fraud may not be effective.</p> <p>E (iii) Lack of available cost codes (financial authority in MSRP) may result in prolonged decision-making on procurement and delayed programme implementation.</p>	<p>With the implementation of MSRP, SMS directly takes the field requests, with no more role foreseen for the Desks. MSRP and the revised Framework for Resource Allocation and Management have moved decision-making to budget holders.</p> <p>UNHCR has issued a Strategic Framework for addressing Fraud and Corruption, including in procurement activities.</p>	Operational	Possible	High	Higher Risk
II	Procurement planning			Possible	High	Higher Risk
	<p>E (i) Lack of proper procurement planning may result in inefficiencies to UNHCR and not obtaining goods at 'best value for money'.</p> <p>E (ii) Lack of timely planning of procurement needs by field offices, especially in emergency operations, may cause delays and disruptions in the operations.</p>	<p>UNHCR has entered into a number of frame agreements for standard non-food items. UNHCR has further developed a procurement forecasting tool based on the MSRP system that allows for more systematic early warning and forecasting of procurement needs. Also, at the same time the use of the Central Emergency Stockpiles has been revised and strengthened to allow for faster response times in emergencies.</p>	Operational	Possible	High	Higher Risk
	<p>B (i) Lack of cooperation in procurement planning with other agencies may result in inefficient procurement and maintenance of separate assets and equipment with lower capacity.</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
III	Procurement process		Possible	High	Higher Risk	
	<p>C (i) Goods may be procured without going through the competitive tendering procedures, resulting in UNHCR not receiving best value for money</p> <p>C (ii) Quotation Requests or Invitations to Bids may not be completed, may contain errors with regard to specifications, or may not be properly approved prior to issuance. This could result in fair competition not being applied.</p> <p>C (iii) Local Committees on Contracts (LCC) may not have been established at the field level resulting in decisions being delayed and contracts approved without proper UNHCR procedures being followed.</p> <p>C (iv) Local purchases above the required threshold may not be approved by the Committee on Contracts resulting in non cost effective local procurement and stored and distributed goods not properly accounted for.</p>	<p>UNHCR has comprehensive procurement procedures, as contained in UNHCR Manual Chapter 4 and Chapter 8 (Supply Management Manual). There are also guidelines for commercial contracts and the establishment of Contracts Committees at local and regional level.</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>E (i) The procurement process may be too formal, cumbersome and inflexible to be suitable for emergency procurement, resulting in frequent bypasses of controls in emergency operations, which may cause financial losses for UNHCR.</p> <p>E (ii) Insufficient number of framework agreements with suppliers may lead to increase in the price of Non-Food Items (NFIs) in an emergency situation or cause disruptions of operations.</p> <p>E (iii) Data entered by the requesting unit may be incomplete and/or contain errors.</p> <p>E (iv) Absence of channels for vendors to report on suspected cases of improper procurement handling may result in procurement related fraud.</p>	<p>SMS has controls in place to: (a) ensure regular rotation of staff between commodities and suppliers; (b) ensure Purchase Order files are easily taken on by different buyers; (c) determine adequate signing level; (d) ensure bidder lists are signed off by supervisors.</p> <p>The number of Frame Agreements has been increased to cover all essential NFIs and other operational support items. Moreover, the suppliers have been given channels to report on improper procurement handling and launch a protest</p>	Operational	Likely	High	Higher Risk
	D (i) Inaccurate or incomplete requisitions may result in reserving budgets that can not be used for any other purposes which may slow down programme implementation.	Incorrect requisitions can only be cancelled but not changed in the MSRP system: non-cancellation means that the budget is still reserved and can not be used for other purposes.	Financial	Likely	Low	Moderate Risk
	G (i) Lack of a comprehensive database of suppliers at the field level could result in an inadequate number of suppliers being considered.		Information Resources	Likely	Medium	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
	F (i) Hiring of consultants to technically evaluate bids could result in biased evaluations and, consequently, financial losses to UNHCR.		Human Resources	Remote	High	Moderate Risk
IV	Performance monitoring of suppliers			Possible	Medium	Moderate Risk
	<p>E (i) Lack of an adequate process for evaluating the performance of suppliers and the absence of metrics may result in lack of relevant information for decision making.</p> <p>E (ii) Lack of a process and tools to assess the integrity of suppliers may result in UNHCR losing financial resources or credibility, or even pose a security risk.</p> <p>E (iii) Absence of a systematic process for blacklisting vendors for performance shortcomings may lead to UNHCR not receiving the highest quality of goods and services at the lowest price.</p> <p>E (iv) Absence of the concept of performance bonds clause in UNHCR guidelines and procurement procedures may result in UNHCR's inability to withhold outstanding invoices from contractors in case of non-compliance.</p>	<p>UNHCR has procurement procedures for the selection and evaluation of suppliers. With the MSRP system, UNHCR can implement stronger metrics for supply management.</p> <p>Three cases have led to inquiries for links with terrorist organizations, which have led to exclusions of the suppliers by UNHCR.</p>	Operational	Possible	Medium	Moderate Risk
	F (i) Lack of resources in the UNHCR Legal Affairs Section (LAS) may result in not clearing all contracts with suppliers. This could lead to more legal disputes, which are costly to solve.		Human 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
	C (i) Field offices may by-pass the process of obtaining Legal Affairs Section's clearance of contracts, which could lead to UNHCR entering into contracts which do not serve the best interest of UNHCR		Compliance	Possible	Medium	Moderate Risk
V	Procurement by Implementing Partners			Likely	Medium	Higher Risk
	E (i) SMS may not have the capacity to improve quality and cost effectiveness of procurement delegated to implementing partners, resulting in a lack of opportunities for cost reductions. E (ii) Insufficient monitoring of implementing partners' procurement practices may lead to inefficiencies and risk of fraud or mismanagement.	Total procurement delegated to implementing partners represents 75 per cent of UNHCR procurement expenditures. Partners are required to comply with the UNHCR IP Procurement Guidelines. A number of global partners are pre-qualified to conduct procurement on behalf of UNHCR.	Operational	Likely	Medium	Higher Risk
	C (i) Deliberate efforts by UNHCR staff to circumvent procurement procedures through delegation of procurement to IPs may result in inefficiencies and risk of fraud and mismanagement.		Compliance	Possible	Medium	Moderate Risk

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5	Focus Area:	Logistics Management		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
I	Travel			Possible	Low	Lower Risk
	<p>A (i) Changes in the airline market and in the pricing strategy and terms of airlines may prevent the Travel Agent from foreseeing increase in expenses.</p> <p>A (ii) Unforeseen circumstances may cause last minute changes or cancellations to travelling plans which could in turn lead to additional costs.</p>	<p>When changes in the airline market and pricing occur, the travel agency is aware as airlines can not change their pricing without giving notice. For example, Swiss Air increased its rates by 2.5% at end of June 2008, and all staff members who where booked on Swiss Air were contacted by Travel and Visa Unit in order to advise them to proceed with ticket issuance before the increase of the rate.</p> <p>As per Travel and Visa Unit statistics, the sooner the ticket is issued, the better the rate, even with rebooking fee or cancellation fee. Moreover, Travel and Visa Unit is advising staff members if they have open tickets to use during the year.</p>	Strategy	Remote	Low	Lower Risk
	<p>C (i) Travel Regulations and Rules and Policies on Official Travel may be too vague, ambiguous and complex leading to misinterpretation or errors.</p> <p>C (ii) Proper procedures may not be in place to ensure that the payments made are clearly documented and supported, resulting in erroneous and duplicate payments.</p> <p>C (iii) Lack of measures to ensure that mission reports are submitted could result in insufficient follow-up action taken and poor decision-making.</p>	<p>The administration of official travel is primarily regulated in ST/AI/2006/4, IOM/37/2006-FOM/37/2006 and in the UNHCR Staff Administration and Management Manual. Official travel is administered by the Travel and Visa Unit of DFAM. Quality control is done by Travel and Visa Unit's staff: once by the staff member who is receiving and registering all documents and another time by the staff member who is in charge of processing travel claims and payments. Moreover, all payments are documented and recorded in MRSP and can be traced anytime.</p>	Compliance	Possible	Low	Lower Risk

5	Focus Area: Logistics Management		Possible	Medium	Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	G (i) Lack of capacity to update and maintain the travel administration database may result in UNHCR not being in possession of reliable and complete data required for effective decision making.	The travel administration database cannot be reconciled with MSRP but the planned Phase II of MSRP implementation will introduce a module on Travel and Expenses. In addition, Travel and Visa Unit has worked with the Application Development Team in order that each Pt8 loaded in the EPT8 Database could generate the creation of a folder in Livelink.	Information Resources	Possible	Low	Lower Risk

5	Focus Area: Logistics Management		Possible	Medium	Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>E (i) Lack of adequate guidance to administrative staff and supervisory controls may result in travel entitlements not being calculated in accordance with the applicable Regulations & Rules.</p> <p>E (ii) Lack of coordination and document sharing between some of the divisions involved in staff travel (such as DFAM and DHRM) may result in errors in travel entitlement payments.</p> <p>E (iii) Absence of forward planning on travel may result in increased workload to Travel Agency and backlogs, reduced choice and increased cost of travel to UNHCR.</p> <p>E (iv) Lack of follow-up and monitoring of the processing of travel claims may result in UNHCR not taking the appropriate measures to recover the overpayments made or unjustified advances.</p>	<p>UNHCR's Travel Reform, conducted in 2006, simplified and rationalised procedures and made the travel process more efficient. For example, the average delay for final processing of travel-related expenditures dropped from 126 days to less than 14 days in less than two years. The Travel Reform also aligned roles and responsibilities between relevant units, as per the instructions contained in IOM/37/2006-FOM/37/2006.</p> <p>Travel and Visa Unit staff has access to DHRM database to ensure that information provided by staff members is correct.</p> <p>According to the Travel and Visa Unit, most of the bookings are made in time except for emergency travels which can not be planned in advance.</p> <p>Follow-up and monitoring of travel claims is done by Travel and Visa Unit staff. Recoveries of overpayment, if any, are done every month through salary deduction.</p>	Operational	Remote	Low	Lower Risk
	<p>B (i) Lack of coordination with WFP and other UN Agencies for air services may result in UNHCR's staff travel being limited in some field locations, which in turn may have an adverse effect on the level of project implementation and monitoring.</p>		Governance	Possible	Low	Lower Risk

5	Focus Area: Logistics Management		Possible	Medium	Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
II	Logistics management		Possible	Medium	Moderate Risk	
	<p>E (i) Inability to deliver goods to the field and to the refugee beneficiaries in a timely manner may negatively affect UNHCR's image and, more importantly, the life and the safety of refugees.</p> <p>E (ii) Logistics may not be driven by business considerations, but by other considerations such as political or capacity-building requirements, leading to inefficiencies in the use of the Organization's resources.</p> <p>E (iii) Absence of a system of performance-based payment to logistics partners and contractors may result in inefficient use of funds and poor decision-making on future logistics decisions.</p> <p>E (iv) Heavy dependence on only a few logistics partners may result in inability to achieve best value for money and a continuous improvement in performance.</p>	<p>UNHCR's Supply Management Manual covers logistics management procedures. UNHCR's Emergency Handbook provides guidance on supply management and transport issues in emergency operations.</p>	Operational	Possible	Medium	Moderate Risk
	B (i) Absent or inadequate risk management in logistics management could result in weak response to emergency situations, and reputation loss to UNHCR.		Governance	Possible	High	Higher Risk

5	Focus Area: Logistics Management		Possible	Medium	Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>D (i) Lack of proper cost accounting methods to evaluate alternatives for logistical decisions, such as buying trucks rather than hiring them or using commercial transport options, could result in financial loss to the organization.</p> <p>D (ii) Absence of proper assessment of the operational needs for the logistics partners as well as lack of adequate monitoring during the implementation phase may result in inefficient use of funds</p>	<p>UNHCR's Supply Management Manual covers alternate sourcing and, specifically, instructions on the use of "surplus" assets (trucks, etc).</p>	Financial	Possible	Medium	Moderate Risk
	<p>F (i) Absence of a sufficient number of dedicated UNHCR staff to monitor commercial and implementing partners in operations may reduce the capacity of UNHCR to successfully perform customs clearance, transport and distribution of NFI and food to beneficiaries.</p>		Human Resources	Likely	Medium	Higher Risk

5	Focus Area: Logistics Management			Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
III	Fleet management			Possible	Medium	Moderate Risk
	<p>E (i) Insufficient UNHCR capacity to efficiently and effectively manage the fleet of vehicles may result in excessive operational costs for fleet maintenance.</p> <p>E (ii) Lack of a general fleet management system and related procedures to centrally monitor expenses may result in vehicles not being deployed in an optimal way.</p> <p>E (iii) Lack of consideration of alternatives to the purchasing of vehicles, such as leasing, may result in inefficiency and inflexibility for some UNHCR operations.</p> <p>E (iv) Lack of a self-insurance policy may result in continuing absorption of financial losses by UNHCR in case of car accidents with only third party coverage.</p>	<p>UNHCR's Supply Management Manual contains procedures for fleet management but they are dispersed over 300 pages without subject headings or common groupings dealing specifically with fleet management. UNHCR plans to develop a consolidated Fleet Management Manual.</p> <p>SMS is working on the development and evaluation of leasing concepts for fleet management, taking Public Private Partnership models into consideration.</p> <p>UNHCR is reviewing its insurance policy.</p>	Operational	Possible	Medium	Moderate Risk
	<p>G (i) Poorly developed and implemented fleet management model may result in lack of transparency and control in fleet management.</p> <p>G (ii) Incompatibility of UNHCR's fleet management system with some of its implementing partners' systems may result in UNHCR not being able to consolidate data globally, which in turn may impact the management decision process.</p>	<p>SMS has developed a Fleet Management Module as part of the integrated MSRP and is starting to introduce this in the major UNHCR operations. The bulk of fleet management activities is delegated to partners (primarily GTZ) who use different fleet management systems. However, SMS has just finished uploading the data from the GTZ Burundi fleet management system to the UNHCR MSRP Fleet management module</p>	Information Resources	Possible	Medium	Moderate Risk
	<p>C (i) Use of the official vehicles for private purposes without appropriate measures in place to ensure priority is given to official use may lead to operational inefficiencies and security incidences.</p>	<p>A IOM/FOM is in place to regulate private use of official vehicles.</p>	Compliance	Likely	Low	Moderate Risk

5	Focus Area: Logistics Management		Possible	Medium	Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
IV	Fuel management			Likely	Medium	Higher Risk
	<p>E (i) Inadequate guidelines and/or Standard Operating Procedures for acquisition, storage, use and management of fuel for UNHCR operations may result in inefficiencies.</p> <p>E (ii) Insufficient or unclear guidelines on the use and reconciliation of fuel receipts, stock cards, fuel coupons and vehicle logbooks may allow misuse and even fraud.</p> <p>E (iii) Fuel costs may be not properly accounted for, or even misallocated by the IPs in the SPMRs, resulting in incompatible and incomplete information on acquisition and use, and flawed project monitoring.</p> <p>E (iv) Lack of or incomplete logistics activities reports submitted by the IPs may result in inaccurate information on fuel consumption for monitoring and decision-making purposes.</p> <p>E (v) Absence of procedures for obtaining tax exemption on fuel for UNHCR and/or its IPs may result in unnecessarily high fuel costs.</p> <p>E (vi) Lack of reporting on discrepancies between acquisition and delivery and use of fuel, fuel storage and loss/wastage due to inadequate fuel management monitoring tools, may result in inefficiencies and financial losses.</p> <p>E (vii) Nonexistent or badly drafted and negotiated contracts with fuel vendors (e.g. performance bonds) may result in unnecessary losses and write-offs.</p>	<p>Guidelines and procedures for fuel management are contained in the Supply Management Manual.</p> <p>The new MSRP Fleet Management Module has a separate functionality for dealing with fuel consumption / pricing.</p>	Operational	Likely	Medium	Higher Risk

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6	Focus Area:	Information Technology Management		Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
I	Communications technology management			Possible	Medium	Moderate Risk
	<p>G (i) Heavy reliance on online connectivity, which may be subject to frequent disruptions, may result in inability to efficiently execute UNHCR operations in the field.</p> <p>G (ii) Governments may have or may impose restrictions on communication networks affecting UNHCR's communication availability and capability.</p>	The Management Systems Renewal Project (MSRP) - UNHCR's Enterprise Resource Planning system - is web based without off-line function. Continuous internet access is vital to processing transactions.	Information Resources	Possible	Medium	Moderate Risk
	<p>E (i) Procurement of communication equipment being budget-driven instead of operation-driven may result in communication deficiencies in programme implementation and security risks to staff in the field.</p> <p>E (ii) Weak internal controls over the issuance of mobile telephone equipment and belated or non-recovery for private use may result in financial losses to UNHCR.</p>	While procedures exist, the implementation varies from one office to another.	Operational	Remote	Medium	Lower Risk
II	ICT strategic planning			Possible	High	Higher Risk
	<p>A (i) Outdated ICT Strategic Plan could result in gaps in the fulfilment of UNHCR's missions and objectives.</p> <p>A (ii) Inability to create an ICT organization that delivers the right ICT services could result in duplication of services and wastage of resources.</p>	UNHCR has formulated the ICT Strategic Plan for the period 2007-2010. The Strategic Plan provides the baseline structure for the Division of Information Systems and Telecommunications (DIST). UNHCR's ICT teams have been responding to the emergency needs of the field offices.	Strategy	Possible	High	Higher Risk

6	Focus Area: Information Technology Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	B (i) Inadequate policies for the usage of ICT facilities, including for monitoring of the usage, could result in poor management of ICT resources.	Specific policies exist for example for private use of official telecommunication facilities, email, internet, as well as use of passwords in UNHCR's IT systems.	Governance	Possible	High	Higher Risk
III	MSRP - Information architecture, processes and organization			Likely	High	Higher Risk
	G (i) UNHCR's information systems and infrastructure, in particular in reference to MSRP, may be deficient and as a result may create impediments to meet the business requirements. G (ii) Non-placement of data in information classes (i.e. security categories) as well as allocation of ownership could result in unauthorized sharing of information.	UNHCR's MSRP system contains the following modules: Asset Management; Budget; Finance; Fleet Management; HR & Payroll; HR Self Service; Inventory; Procurement. Not all the modules are fully rolled out or used in all locations. UNHCR has done considerable work to successfully implement MSRP at HQ and in the Field.	Information Resources	Likely	High	Higher Risk
IV	MSRP - Project and risk management			Likely	Medium	Higher Risk
	B (i) Inadequate processes to identify the risks relating to MSRP could result in UNHCR's inability to respond to threats or take appropriate risk mitigation decisions.	The IT risk assessment approach at UNHCR exists but has not yet fully covered the field operations.	Governance	Likely	High	Higher Risk
	E (i) Inability to deliver new MSRP modules on time may result in significant cost over-runs and inefficiencies.		Operational	Likely	Medium	Higher Risk

6	Focus Area: Information Technology Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
V	MSRP - Investment, acquisition and change management			Possible	High	Higher Risk
	D (i) Insufficient control over the disbursement of financial resources relating to IT investments, in particular MSRP related, may result in inability to measure cost-benefit ratios or to assess the viability of the projects.	Possibilities to extract reliable costs have improved since the introduction of MSRP and continue to improve with the addition of other functional modules. The ICT Governance Board is responsible for approving all medium and large projects (or investments ranging from US\$ 50,000).	Financial	Possible	Medium	Moderate Risk

6	Focus Area: Information Technology Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>E (i) Inability to identify automated solutions to ensure an effective and efficient approach to satisfy the user requirements may result in inefficiencies and loss of funds invested in MSRP.</p> <p>E (ii) Lack of adequate user involvement, including field staff, in MSRP development projects may result in applications that do not serve the needs of the Organisation and loss of financial investment.</p> <p>E (iii) Users of MSRP may not be fully aware of the changes made to the systems which could result in user misconception and adversely affect the level of confidence in the system.</p> <p>E (iv) Inability to develop and maintain procedures to ensure the proper use of MSRP applications and the technological solutions available may result in under or non-utilization of resources.</p> <p>E (v) Lack of proper procedures to control the automated flow of data between MSRP modules could result in errors and discrepancies.</p>	<p>MSRP introduced an integrated system. There is an observable rapid and positive change in the mindset of the management regarding the use of MSRP, particularly in the field offices, and the level of user confidence in MSRP has soared. Increase in usage, additional training and the expansion of the user community are likely to lead to improved efficiency and effectiveness.</p> <p>With the introduction of modules in MSRP, the data flow between the modules is documented and reviewed to ensure that there are controls like reconciliation procedures that would detect significant errors and discrepancies and ensure that the data recorded are accurate and complete.</p>	Operational	Possible	High	Higher Risk

6	Focus Area: Information Technology Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
VI	MSRP - Security			Likely	High	Higher Risk
	<p>G (i) Inability to safeguard information could result in unauthorised use, disclosure or modification, damage or theft of sensitive UNHCR information.</p> <p>G (ii) Inability to provide physical security to the IT equipment and infrastructure may expose UNHCR to man made or natural hazards resulting in disruption to IT services, including MSRP availability.</p>		Information Resources	Likely	High	Higher Risk
VII	MSRP - Quality and continuity			Possible	High	Higher Risk
	<p>E (i) Inability to ensure that MSRP is continuously available could have a significant impact on operations in the event of a major disruption.</p> <p>E (ii) Inability to assess the internal control adequacy of IT systems could result in gaps between the actual achievements and the set control objectives.</p> <p>E (iii) Deficiencies in data management could result in incomplete or inaccurate data.</p>	<p>Some steps are in place to ensure that MSRP system is continuously available (e.g. MSRP websites are hosted by UNICC under a user agreement).</p> <p>UNHCR management monitors the effectiveness of internal controls in the normal course of operations through management and supervisory activities, comparisons, reconciliations and other routine actions. However, there are some procedural controls that are not built into the MSRP system.</p>	Operational	Possible	High	Higher Risk
	<p>F (i) Limitations in the competence of the IT workforce, in particular their expertise in MSRP, could result in lack of organizational expertise and specialization in IT matters.</p> <p>F (ii) Insufficient user training could result in the under-utilization of the MSRP modules developed, and suboptimal return on investment.</p>		Human Resources	Possible	High	Higher Risk

Risk Assessment of : UNHCR

7	Focus Area:	Programme and Project Management		Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
I	Protection management			Possible	High	Higher Risk
	<p>A (i) Lack of or inadequate national refugee legislation may hinder effective protection of asylum seekers.</p> <p>A (ii) Weak or absent tools and mechanisms for evaluating the impact of refugees on host country economies, society, environment and security, could result in poor perception of refugees and more hostility towards them among the host country population.</p> <p>A (iii) Inadequate protection capacities of the host country may result in UNHCR having to carry out all protection activities on its own.</p> <p>A (iv) Prioritisation of UNHCR's protection activities may be influenced by the host government preference for assistance activities that provide more funding incentives and a better image.</p> <p>A (v) Changes in the nature and number of different populations of concern and related priorities accorded to these groups by governments might generate friction in the cooperation and priority setting between Member States and UNHCR. As a result, refugees, as a distinct population of concern, might no longer receive the same level of attention.</p> <p>A (vi) Lack of competent implementing partners may result in UNHCR's inability to hand over and build capacity on protection activities.</p>	<p>UNHCR continuously helps States build their capacity to uphold international refugee law and basic humanitarian principles. It supports the establishment of legal frameworks and administrative capacity so that they can progressively become self-sustaining. In the absence of national asylum legislation and the requisite institutional arrangements and capacity, UNHCR in many countries has been providing the necessary protection to refugees under its mandate. UNHCR has also designed a web-based platform RefWold to provide protection information to governments, judicial bodies, NGOs, and legal practitioners. UNHCR has also implemented a Strengthening Protection Capacity Project (SPCP) to help States and communities with tools and information.</p>	Strategy	Possible	High	Higher Risk

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>E (i) UNHCR's ability to address protection concerns on a timely basis may be compromised as a result of lack of mechanisms in some locations to reach out to refugees, especially to the urban caseload.</p> <p>E (ii) Inadequate refugee participation and consultation in planning for the protection activities and insufficient communication to make them aware of their rights/entitlements and obligations could result in misallocation of assistance to non-priority areas, and even refugee unrests and demonstrations.</p> <p>E (iii) UNHCR may be prevented from providing protection to asylum-seekers, if its access to monitor detention centres is limited or completely denied.</p> <p>E (iv) Inadequate or delayed attention in programme planning and implementation to the vulnerable beneficiaries, such as women and children, may result in refugee health and safety incidences.</p> <p>E (v) Inability to customise assistance to its beneficiaries according to gender, age, ethnicity or health, could lead to loss of UNHCR's credibility.</p> <p>E (vi) Incorrect "Best-Interest-Decisions" (BID) may damage UNHCR's credibility.</p>	<p>Lack of contact with urban refugees often results in prioritising community services and income generation activities in the camps. There is generally also a limited number of partners assisting urban refugees.</p> <p>UNHCR has detailed policies and guidelines for the protection of refugee children, refugee women, older refugees. There are also guidelines for the prevention and response to sexual and gender-based violence (SGBV). For the priority area of protecting women and girls, a UNHCR Handbook for the Protection of Women and Girls was published in January 2008.</p> <p>BID is the formal process to determine the child's best interests for particularly important decisions affecting the child. UNHCR has strengthened implementation of its Guidelines on the Formal Determination of the Best Interests of the Child.</p>	Operational	Possible	High	Higher Risk

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	G (i) Lack of access to or unreliable government data on asylum-seekers may result in UNHCR not having a reliable picture of its protection caseload.		Information Resources	Possible	High	Higher Risk
	<p>B (i) Lack of knowledge or appreciation of protection management by UNHCR senior management may result in not giving adequate attention to the protection to refugees and not sufficiently urging governments to take up or improve protection issues.</p> <p>B (ii) Inadequate dialogue and coordination between Protection staff at HQ and in the field could result in ineffective delivery of protection activities.</p> <p>B (iii) UNHCR may lose its pre-eminent role as a refugee protection agency, or lose funding, if it is unable to quantify the performance of its protection activities.</p> <p>B (iv) Lack of durable solutions for UNHCR's protection caseload ties up resources that could be deployed elsewhere and therefore may result in significant opportunity costs.</p> <p>B (v) UNHCR may be reluctant in some countries to sufficiently motivate governments to guarantee refugee protection, if its secondary interests prevail, such as relying on the government to provide administrative, logistical and security services to UNHCR.</p>	<p>Protection is at the core of UNHCR's work. All its programmes and activities centre around ensuring fundamental rights as well as safety and dignity of refugees.</p> <p>Field staff generally contact the Department of International Protection (DIP) via the Legal Advisers in the Bureaux.</p> <p>Protection activities by default have a long-term planning focus while competition for funding and demand for visibility requires short-term results.</p> <p>UNHCR has a Framework for Durable Solutions for Refugees and Persons of Concern, developed in 2003.</p>	Governance	Possible	High	Higher Risk

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>F (i) Lack of knowledge-sharing in protection related issues could result in making similar mistakes, lack of knowledge how to implement new policy guidelines, and ineffective programme implementation.</p> <p>F (ii) Inadequate training in protection related issues for the whole organization may result in not adequately addressing evolving protection needs of UNHCR staff.</p> <p>F (iii) Competition by other organizations, such as NGOs or High Commissioner for Human Rights, in the field of protection may reduce UNHCR's capability to recruit qualified protection staff.</p> <p>F (iv) Inability to choose best candidates from outside UNHCR for protection functions because internal candidates are given first priority, even if they are not protection experts, may have an impact on the quality of staffing and effectiveness of implementation of protection activities.</p> <p>F (v) Direct and frequent exposure to sometimes traumatic refugee experiences that are being shared with UNHCR protection staff may cause mental stress among UNHCR staff.</p>	<p>UNHCR has extensive training and reading materials on International Protection for its own staff, NGOs and external stakeholders, including: Protection Induction Programme CD-Rom and brochure; a self-study module on Introduction to International Protection; Protecting Refugees - Questions&Answers; NGO Partnerships in Refugee Protection - Questions and Answers; Protecting Refugees - A Field Guide for NGOs, UNHCR and NGO Partners; and Refugee Protection - A Guide to International Refugee Law (Handbook for Parliamentarians). There is also a series of Guidelines on International Protection (No 1-7) on various specific protection related topics, issued by UNHCR.</p> <p>Measures have been taken with the Staff Welfare Section to address this issue in several operations.</p>	Human Resources	Possible	High	Higher Risk

7	Focus Area: Programme and Project Management			Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>F (vi) Lack of understanding of UNHCR programme staff of protection activities may result in less funding for protection activities and projects undertaken without protection components.</p> <p>F (vii) Lack of specialized skills of UNHCR's protection staff, such as legal and negotiation skills, could result in UNHCR's inability to deliver its core protection activities or to gain stakeholder respect as an expert body in protection matters.</p>	<p>The Protection Induction Programme training launched in 2006 is mandatory for all UNHCR staff. The High Commissioner has stated that all UNHCR actions must be protection-minded and that all staff members must see themselves as protection agents.</p> <p>As the protection of IDPs, for example, requires both co-ordination (process) and legal/protection skills (substance), UNHCR recognizes that it is essential to ensure adequate capacity in terms of staff and skills for both. Therefore, an induction programme on IDP protection is being finalized and will be made mandatory to all staff.</p>				
II	Refugee Status Determination and Registration			Likely	High	Higher Risk
	B (i) Lack of highest level of integrity of staff involved directly or indirectly in refugee status determination (RSD) may result in fraudulent or biased RSD.	RSD is very fraud-prone as it determines who has access to protection, assistance and, eventually, durable solutions. As it is extremely difficult to prevent misconduct, such as bribes and/or other forms of corruption, much reliance is put on the integrity of individual staff.	Governance	Possible	High	Higher Risk

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>E (i) Lack of effective UNHCR monitoring of national RSD could result in the unfair processing of asylum applications.</p> <p>E (ii) In a politically sensitive operational environment and depending on whether protection against refoulement is available, certain caseloads may need to be prioritised over others while some others may not have access to RSD, leading potentially to unrests among applicants and security incidents.</p> <p>E (iii) Delayed RSD decisions may be detrimental to refugees who are exposed to various risks and threats while their RSD is pending. This can affect UNHCR's reputation.</p> <p>E (iv) UNHCR staff may lack the mechanisms to determine when to undertake RSD themselves or when it would be an inappropriate response in a given situation.</p>	<p>UNHCR has various training programmes on RSD, including a self-study module called Refugee-Status Determination - Identifying Who Is a Refugee, introduced in 2005. Additional guidance on RSD activities is provided in the Handbook on Procedures and Criteria for Determining Refugee Status under the 1951 Convention and the 1967 Protocol, as well as the Procedural Standards for Refugee Status Determination under UNHCR's Mandate.</p> <p>UNHCR conducted a study in 2004 on "Individual RSD in UNHCR's Protection Activities and Operations" which looked into how UNHCR can best manage and oversee individual RSD functions. As a result, guiding considerations were issued as a framework of analysis to assist in determining which RSD response to give in each circumstance, if any, and what structure would best meet the needs.</p>	Operational	Likely	High	Higher Risk
	<p>F (i) Inflexibility to mobilise resources to locations where the RSD workload is not commensurate with the staffing situation may lead to large backlogs, and adversely affect the quality of protection, the staff morale and welfare, as well as the agency's credibility.</p>	<p>RSD management tools have been created and applied in the field. In some countries like Eritrea a fast track deployment of RSD staff was used to deal with the caseload. 90% of UNHCR's global RSD work is in only 12 countries.</p>	Human Resources	Possible	Medium	Moderate Risk

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	D (i) Unpredictability of funding or lack of prioritization of RSD as a core protection activity may adversely affect the RSD processing rate and hence, the ability to deliver.		Financial	Possible	High	Higher Risk
	<p>G (i) Lack of systems and tools to estimate the number of people of concern, including those pending registration, or lack of capacity to re-register the beneficiaries on a regular basis, may lead to unreliable information on UNHCR's caseload.</p> <p>G (ii) Unreliable refugee registration data may result in poor programme planning and resource allocation decisions, including those of other UN agencies who rely on this information (such as WFP for its food delivery).</p>	<p>UNHCR produces annually Global Trends on Refugees, Asylum seekers and other persons of concern. For registration activities, UNHCR has developed a Handbook on Registration. Also, the Emergency Handbook provides guidance for estimating population figures for planning purposes. A global registration database, proGres, has been rolled out in all countries where UNHCR has the primary responsibility for refugee registration. In total, 65 country operations use proGres in 124 offices. In the locations where proGres is installed it has been an effective tool in reporting on registered population of concern.</p> <p>UNHCR is fully aware that lack of proper supervision of the quality of input in proGres database could result in incorrect data and ineffective use of the application and, therefore, plans to integrate more accountability on registration in the Terms of Reference of Protection Officers and senior managers in the field. Functional support for registration on proGres has been mainstreamed into the Field Information and Coordination Section (FICSS) at HQ, while technical advise is shared by FICSS and the Refugee Systems (RS) Unit.</p>	Information Resources	Possible	High	Higher Risk

7	Focus Area: Programme and Project Management			Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>G (iii) Lack of an interface that links proGres and assistance tracking systems, such as MSRP, may increase the possibility of overpayments, double-payments and fraud taking place in the payment of financial assistance to beneficiaries.</p>	<p>ProGres was developed and implemented in UNHCR as the new organization-wide standard application for meeting registration and protection functional requirements. Therefore, in UNHCR's view, proGres is not an accounting system, but a case management tool. It is designed to capture all assistance delivery linked to an individual record. In that sense, proGres and MSRP can be seen as complementary. It is also possible to reconcile the amount of cash assistance paid out within the month, the confirmed receipt by the beneficiary and the corresponding record in proGres that the beneficiary received assistance. In addition, biometric technologies are being used as a functionality of the proGres system to make registration more effective. Having digital photos in combination with bio-data in electronic format has helped immensely in fraud deterrence and detection. The linkage between proGres photo and bio-data records and document production (IDs, refugee certificates, Resettlement Registration Form) have also helped reduce organizational vulnerability to internal fraud.</p>				

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>G (iv) ProGres may not have the capacity to detect multiple registrations of the same beneficiaries causing inflation in the figures used for reporting to the donors.</p> <p>G (v) Inability to utilise proGres to its fullest potential may result in its limited usefulness for UNHCR and poor return on investment.</p>	<p>As the system is not web-based, UNHCR recognises that it is unable to detect and avoid parallel or successive applications of the same individual in the same country or in neighboring countries. Therefore, SOPs and user guidelines have been developed to guide users detect multiple registrations in proGres using a combination of name search, age, gender and passport number, etc. Where biometrics has been installed it has enhanced office capacity to detect multiple registrations.</p> <p>Training is provided to users and follow up support conducted by Regional Registration and HQ staff. Additional technical support is available for some countries within the region or from HQ. Registration officers and IT officers positions are created in large scale complex operations and/or for major registration/ verification exercises, to manage registration processes and ensure that information is updated and that proGres is utilized to its fullest.</p>				

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
III	Camp management			Possible	Medium	Moderate Risk
	<p>E (i) Refugee camps may not be situated at appropriate and safe locations (e.g., at distances away from international borders and from zones of conflict).</p> <p>E (ii) The size, design and overall infrastructure of the refugee camps may not effectively contribute to the maintenance of a peaceful environment and the security of refugees and local residents.</p> <p>E (iii) Lack of a participatory management system in the camps, including refugee committees, could result in refugee unrests.</p> <p>E (iv) Lack of, or inadequate measures in place to protect and ensure the security and safety of vulnerable groups, including reporting mechanisms to track gender-based violence, could result in rampant abuse and harassment in the camps.</p> <p>E (v) Inadequate measures in place to identify, disarm and separate armed elements from bonafide refugees, could result in break-out of military conflicts.</p> <p>E (vi) Inadequate means for the camp management for contacting camp security, local authorities and UNHCR in cases of emergency, could result in serious security incidences.</p> <p>E (vii) Inaccurate or incomplete mapping of protection and health needs in camps may result in poorly planned and implemented camp-based assistance.</p>	<p>UNHCR has a reference guide for Operational Protection in Camps and Settlements.</p> <p>UNHCR Country Reports contain Camp Indicator Reports on each camp with a population of over 5,000 persons.</p> <p>Refugee camps have Camp Rules and Regulations.</p> <p>UNHCR puts a lot of emphasis on the need to maintain the civilian nature of refugee camps.</p>	Operational	Possible	Medium	Moderate Risk

7	Focus Area: Programme and Project Management			Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>A (i) Increased handover of camp management activities to government partners or other national counterparts, for financial and capacity-building reasons, may result in UNHCR losing control while still being exposed to the reputational risks.</p> <p>A (ii) Handing over responsibilities to government partners or other national counterparts may be premature if the latter are not able or willing to take over such responsibilities, resulting in poor management of camps by these partners.</p> <p>A (iii) Lack of clarity about the roles and responsibilities of UNHCR and host government in refugee camp management may lead to suboptimal use of UNHCR funds, dissatisfaction among the refugee target population, and loss of UNHCR's credibility.</p>	<p>UNHCR's traditional role is to facilitate the work of government in the latter's overall responsibility for refugee camp management.</p>	<p>Strategy</p>	<p>Possible</p>	<p>Medium</p>	<p>Moderate Risk</p>
IV	Voluntary repatriation			Possible	High	Higher Risk
	<p>B (i) The principle of the voluntary nature of return may not be applied in all cases of repatriation, affecting UNHCR's reputation.</p> <p>B (ii) Poorly planned repatriation operations, for example as a result of the lack of tripartite commissions involving UNHCR and the countries of origin and asylum, and agreement on the reception of refugees and modalities of movements, could result in loss of UNHCR's credibility.</p>	<p>Numerous reviews and lessons learned exercises have been conducted on UNHCR's repatriation operations, with the aim to improve future operations.</p>	<p>Governance</p>	<p>Possible</p>	<p>High</p>	<p>Higher Risk</p>

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>E (i) Lack of an appropriate assessment of the willingness of the refugees to voluntarily return to their homes, or the inability to sufficiently explain to them the true security and infrastructure conditions in the country of return, could result in high-level dissatisfaction of returnees and negative publicity to UNHCR.</p> <p>E (ii) Lack of an appropriate assessment of the sustainability of return (absorption capacity of return areas, land, property rights, etc.) and lack of appropriate coordination mechanism with the country of origin for the reception of returnees, could result in the perception of failed repatriation operation and credibility risks to UNHCR.</p> <p>E (iii) Lack of communication and coordination between UNHCR staff on both sides of the border in repatriation operations may result in loss of funds (e.g. through double-payment of cash grants and other types of assistance).</p>	<p>UNHCR's repatriation operations are primarily guided by A Voluntary Repatriation Handbook; A Handbook for Repatriation and Reintegration Activities; as well as The Handbook for Emergencies. Mass media campaigns are organised by UNHCR for repatriation processes.</p>	Operational	Possible	High	Higher Risk
	<p>D (i) Inadequate or inaccurate planning and budgeting for the departure and travel of returnees to their home countries may result in waste of resources, e.g., if the transportation means and staff resources deployed by UNHCR remain idle.</p> <p>D (ii) Generous financial incentives for repatriation may make repatriation subject to fraud and corruption.</p>		Financial	Likely	Medium	Higher Risk

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	G (i) Investment in technology to combat multiple registration and repatriation may not be cost-effective.	In some countries high-tech tools such as iris scanning and finger print recognition have been utilised. They are costly and generally effective but the cost-benefit calculations are difficult to make.	Information Resources	Likely	Medium	Higher Risk
	<p>A (i) Inadequate monitoring of UNHCR's repatriation activities may result in the operation being seen as a carrot for illegal migration, human trafficking, and smuggling.</p> <p>A (ii) Inability to strategically align repatriation with reintegration activities in the country of return may result in unsuccessful overall repatriation operation and loss of UNHCR's credibility.</p> <p>A (iii) Host countries who have a strong interest in repatriating refugees (push-factor) may influence UNHCR not to act in full compliance with its protection mandate.</p>		Strategy	Possible	High	Higher Risk
	C (i) Implementing partners involved in logistics of repatriation operations may abuse the system for their own benefit, including overcharging of fuel and spare parts, etc.		Compliance	Possible	Medium	Moderate Risk

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
V	Local integration, including Self-reliance programmes			Possible	Medium	Moderate Risk
	<p>A (i) Host country legislation or lack of willingness of national governments to give rights to refugees (work permit/ access to schools, freedom of movement, requirement for language skills, etc.) may result in limited effectiveness of UNHCR local settlement programmes.</p> <p>A (ii) Host governments may not allow local integration as a durable solution for refugees and IDPs, thus limiting UNHCR's options to deal with the caseload in those countries.</p>	<p>UNHCR tries to negotiate exemptions with host countries. New durable solutions are increasingly being accepted by host governments, whereas some countries have recently created more opportunities to apply for citizenship. Alternatively, UNHCR promotes vocational training and various self-reliance initiatives itself, in order to put the refugees' skills to constructive use, and in considering self-reliance as refugees' right to dignified life and to their own development.</p>	Strategy	Possible	Medium	Moderate Risk

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>E (i) Lack of clear actions undertaken by UNHCR to reduce refugees' long-term dependency on UNHCR may result in waste of financial and staffing resources.</p> <p>E (ii) Individual assistance to irregular movers and to asylum seekers may not be limited to essential requirements and not only provided to those unable to meet minimum needs, resulting in inappropriate financial costs to UNHCR.</p> <p>E (iii) Lack of appropriate procedures for the selection of legitimate urban caseload may result in financial and non-food assistance being diverted.</p> <p>E (iv) The number of self-reliance activities carried out may be inadequate to significantly contribute to the self-reliance of beneficiaries.</p> <p>E (v) Lack of needs assessments, market surveys and sustainability analyses could result in the income-generation activities carried out by UNHCR or its partners not achieving the objectives of making the refugees self-reliant.</p>	<p>UNHCR has recognised that direct assistance is no longer tenable, and refugees need more and more self-reliance opportunities. In order to ensure a proper implementation and monitoring of Community Empowerment Projects (CEP) and Quick Impact Projects (QIPs), UNHCR has issued guidelines to be used by country operations. These include: Handbook for Planning and Implementing Development Assistance; Handbook for Self-Reliance; QIPs - A Provisional Guide. UNHCR Manual Chapter 4 provides additional operational guidance, including on Micro-finance activities.</p> <p>Through UNDAF, Delivering as One and bilateral partnership with development actors UNHCR has been making much effort to bring in development agencies in supporting refugee-hosting communities.</p>	Operational	Possible	Medium	Moderate Risk

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>E (vi) Vulnerable refugees (women, elderly and youth) may not have been specifically targeted for self-reliance and community development programmes.</p> <p>E (vii) UNHCR's inability to adequately manage micro-finance schemes may result in ineffective implementation of micro-finance projects and, at worst, mismanagement of funds.</p> <p>E (viii) UNHCR may not have the capacity to monitor a large number of projects resulting in UNHCR not always being able to intervene in a timely manner to prevent/address non-achievement of project objectives.</p> <p>E (ix) UNHCR's local integration programmes may not have the sustainable impact on the beneficiaries, as a result of the absence of hand-over procedures to the local community or lack of measures to ensure the continuation of the activities to development programmes.</p>					

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
VI	Reintegration of returnees			Possible	Medium	Moderate Risk
	<p>A (i) Lack of clarity in terms of UNHCR's role in reintegration and development activities may lead to suboptimal use of funds, weak impact of UNHCR's activities, and loss of credibility.</p> <p>A (ii) Absence of agencies that could take over the development activities in returnee areas may lead to loss of investment of UNHCR funds and efforts in the reintegration of refugees.</p>	<p>Recent efforts to build system-wide coherence within the UN provide opportunities also for UNHCR to create partnerships at an early stage of reintegration. UNHCR plans to promote coherent reintegration plans that could merge with development efforts. In March 2008, UNHCR presented a new policy framework on reintegration to Standing Committee. UNHCR has been advocating for the need of development actors in return areas both at country level and global level. Activities of the latter include the involvement in CWGER, UNDG/ECHA Transition Working Group and the process of UN-wide policy on employment creation and reintegration in post conflict settings.</p>	Strategy	Possible	High	Higher Risk

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>E (i) Inadequate planning of UNHCR's reintegration programmes may lead to funds being invested in activities that are not sustainable.</p> <p>E (ii) Inability to link infrastructure projects with the capacity-building aspect of local governments may result in ineffective outcomes.</p> <p>E (iii) Lack of accurate information on the places of return may result in poorly targeted and ineffective reintegration activities.</p> <p>E (iv) Inadequate attention to environmental effects of UNHCR activities, such as large shelter and rehabilitation programmes, may cause environmental damage and impact UNHCR's credibility.</p>	<p>A Handbook for Repatriation and Reintegration Activities provides operational guidance to UNHCR and IP staff in the field on reintegration activities, in line with the UNHCR Framework for Durable Solutions for Refugees.</p> <p>UNHCR has Environmental Guidelines which form the backbone for UNHCR's environmental policy in operations. In 2008-09, UNHCR plans to integrate these principles into all relevant activities.</p>	Operational	Possible	Medium	Moderate Risk

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
VII	Resettlement			Likely	High	Higher Risk
	<p>C (i) Mismanagement of resettlement and recurring fraud cases related to resettlement may significantly damage UNHCR's reputation.</p> <p>C (ii) Unreliable refugee data and/or documents may expose UNHCR to risk of resettlement fraud</p> <p>C (iii) Weak preventive controls against bribery and other forms of corruption committed by UNHCR and IP staff may result in fraudulent resettlement.</p> <p>C (iv) Resettlement activities may carry a high inherent risk of trafficking of children and women.</p> <p>C (v) Non-independent, biased, or subjective information provided by the interpreters, who interpret on behalf of refugees for the UNHCR resettlement officers, may cause incorrect resettlement decisions.</p>	<p>The resettlement fraud in Kenya severely damaged UNHCR reputation, and has since served not only as evidence that UNHCR is highly vulnerable at times but also as a deterrence factor. UNHCR's role as sole arbiter in resettlement cases presents a risk of fraud. In many countries, UNHCR is judge and jury. UNHCR decides who is a refugee and who will get resettled in a third country.</p> <p>UNHCR Guidances on Resettlement issues are gathered in a Resettlement Handbook published in 1997 (last revision done in 2004). Being fully aware of the risk of fraud related to resettlement, UNHCR also developed a Resettlement Anti-Fraud Plan of Action and an anti-fraud training programme (Resettlement Fraud Workshops). Policy and Procedural Guidelines on Addressing Resettlement Fraud Perpetrated by Refugees was issued in March 2008. UNHCR has further piloted Fraud Vulnerability Assessments which are conducted with a view to asses office processes and their linkages, detect areas at high fraud risk and assisting offices in implementing preventive measures.</p>	Compliance	Possible	High	Higher Risk

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>A (i) Changes in the policy and criteria of the resettlement countries may have an impact on the lives of refugees</p> <p>A (ii) Inadequate needs assessment or other criteria used by recipient countries may result in unreliable resettlement targets for UNHCR.</p> <p>A (iii) The fact that the resettlement countries are invariably also the largest UNHCR donors may put UNHCR in a situation of unhealthy reliance on these countries and donor-bias.</p> <p>A (iv) Strong reliance on governments to carry out resettlement activities carries the inherent risk of the host government's interest in resettling as many refugees as possible, making resettlement decisions subject to bias.</p> <p>A (v) Outsourcing resettlement work to partners may affect the quality of work and ultimately the credibility of UNHCR.</p>	<p>Some countries have specific quota based on nationality, gender, age, skills, languages, number of people, timing of resettlement, etc., which may be subject to frequent and unpredictable changes. Unreliable targets may work against UNHCR in two ways: they may be too high affecting UNHCR's credibility to achieve its planned objectives and even reduce the future resettlement quotas, or too low, resulting in bottlenecks. UNHCR is trying to get resettlement countries to agree to multi-year plans to address needs of some priority asylum countries.</p> <p>The resource-intensiveness and high staff cost element of resettlement makes it unavoidable to rely on implementing partners, including government partners.</p>	Strategy	Likely	High	Higher Risk

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>F (i) Failure to make the right decision may cause refugee dissatisfaction and make UNHCR staff, especially national staff, vulnerable to threats for their own safety.</p> <p>F (ii) Lack of recognition of the resettlement discipline within UNHCR and the inherent risks and threats it carries, may result in inability to attract the best staff which affect the quality of service.</p> <p>F (iii) The competencies of resettlement officers may not match the evolution and current requirements of the resettlement profession/discipline.</p> <p>F (iv) Weak interviewing skills of UNHCR or IP resettlement staff may result in incorrect decisions</p> <p>F (v) Staffing constraints may prevent adequate segregation of duties or rotation of resettlement officers, increasing the risk of incorrect decisions, including through fraud.</p> <p>F (vi) Inability to deploy competent resettlement staff to the areas of priority (right people at the right time) may result in delays/backlogs, increase stress, and affect staff morale.</p> <p>F (vii) Uneven and sometimes unpredictable workload from month to month may affect staff motivation and job security.</p>	<p>There is an extremely high dependence on competent staff with high integrity.</p> <p>Resettlement function in the UNHCR Performance Management System has only one competency which is perceived by some resettlement officers as a sign of lack of recognition by senior management.</p> <p>Resettlement officers are increasingly moving from being mere case officers to project managers, requiring expertise in project planning, budgeting, project monitoring and evaluation, staff supervision, risk management, donor reporting, donor relations.</p> <p>Various methods have been used in the past, such as “pipelines”, quick redeployment, and mutual support within regions. In addition, the system of Panel of Registration exists in policies and is used occasionally in practice, but is often impossible due to limited number of staff.</p>	Human Resources	Likely	High	Higher Risk

7	Focus Area:	Programme and Project Management		Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	F (viii) The nature of the work involving interaction with the neediest of the refugee population may lead to increased stress levels and in general health concerns among the UNHCR resettlement staff.	UNHCR is focusing more efforts on this staff welfare aspect. Initiatives include staff counselling, better access to Staff Welfare Officers, and training on stress management.				
	<p>E (i) Incorrect resettlement decisions may be made as a result of inadequate supervision of resettlement staff and weak monitoring and review of their work by supervisors.</p> <p>E (ii) Resettlement officers in the field may be unable to digest and adopt all resettlement related guidance because of the overload of policies developed in UNHCR Headquarters.</p> <p>E (iii) Misunderstanding among refugees may result if communication on all issues of interest and relevance to them regarding resettlement is not adequate.</p> <p>E (iv) Lack of access to refugee communities may affect UNHCR's ability to identify and process the neediest resettlement cases in a timely manner.</p> <p>E (v) Lack of coordination with partners may result in duplication of resettlement activities.</p> <p>E (vi) Wrong groups may be targeted for resettlement, if there is inadequate coordination and integration of activities with other sectors (health, registration, community services etc.), and result in not achieving the resettlement objectives.</p>	<p>Various tools have been developed to improve resettlement planning and delivery, including standard operating procedures. UNHCR has also developed a comprehensive Resettlement Handbook which articulates policy and procedures for identifying and documenting refugees in need of resettlement.</p> <p>UNHCR has been increasing refugee participation in protection profiling and identification of those most in need of resettlement.</p> <p>Refugees may be tempted to do "organization-shopping". In some countries this is mitigated by the system of referrals by the host government.</p> <p>UNHCR activities are interlinked. For example, repatriation activities can directly affect the timing and processing of resettlement activities.</p>	Operational	Likely	High	Higher Risk

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	D (i) High unpredictability of funding for resettlement activities may make resettlement planning, especially in terms of staffing levels, extremely difficult.	Resettlement depends on earmarked contributions, and multi-year funding doesn't exist.	Financial	Likely	Medium	Higher Risk
VIII	Emergency preparedness and response			Possible	High	Higher Risk
	<p>A (i) Inability to adapt to a changing environment may lead to UNHCR no longer performing well in large and complex emergencies.</p> <p>A (ii) Lack of action or inadequate preparedness and response to a large emergency crisis may result in UNHCR losing credibility in the emergency operations.</p> <p>A (iii) Lack of UNHCR's capacity to deal with more than 2 or 3 emergencies simultaneously may result in UNHCR not being able to deliver the expected outcomes.</p> <p>A (iv) Insufficient reserve for responding to emergencies may delay the beginning of the implementation of an emergency operation.</p>	<p>In 2006, UNHCR developed its Plan of Action on Strengthening UNHCR's Emergency Response Capacity. As a result, at the operational level, UNHCR's capacity to respond to emergencies has been significantly increased. With the exception of tents and blankets, the NFI in the emergency stockpiles in Dubai and Copenhagen are sufficient for the needs of 500,000 persons; a reserve of \$ 10 million has been created; new standby agreements have been or are going to be signed; and, the capacity of the Emergency Response Team (ERT) roster was increased from 100 to 300 staff. Regional response capacity is being strengthened through improved contingency planning, preparedness and cooperation with regional and national actors.</p>	Strategy	Possible	High	Higher Risk

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>E (i) Weaknesses in the pre-alert system could result in delays in responding to an emergency and delivering adequate assistance.</p> <p>E (ii) The process for declaring an emergency may not be clear enough to ensure that the necessary resources are allocated in a timely manner to allow UNHCR to effectively fulfil its mandate.</p> <p>E (iii) Absence of a clear time limit for each emergency may not facilitate the preparation of the necessary transition phase resulting in inefficiencies or additional costs.</p> <p>E (iv) The UNHCR procedures and guidelines may not be sufficiently flexible to adapt to emergency operations resulting in UNHCR managers unable to fulfil their responsibilities.</p>	<p>UNHCR has an Action Alert System which is anticipated to increase UNHCR's response to emergencies. The system which is not yet functioning satisfactorily is continuously being reviewed and improved.</p> <p>The 3rd Edition of UNHCR's Handbook for Emergencies was launched in 2007, with a comprehensive coverage of every phase of an emergency operation. In general, most UNHCR processes are the same (irrelevant whether it is an emergency or not). There are, however, some specific emergency procedures (Emergency Letters of Instruction, Emergency procedures for approval for procurement, FastTrack system).</p>	Operational	Possible	High	Higher Risk

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>F (i) Too long a time gap between the deployment of emergency team and the appointment of regular staff could mean that UNHCR will not be fully effective in responding to an emergency.</p> <p>F (ii) The emergency team deployed to an operation may not have the right size and the right skills resulting in the response not being fully effective.</p> <p>F (iii) Excessive use of short term staffing arrangements or mission replacements that are deployed in the emergency team and in regular posts may result in inefficiencies and lack of accountability.</p> <p>F (iv) Training of and handover to local and newly recruited staff may not be done effectively in emergency operations, resulting in a lack of transfer of knowledge and insufficient skills.</p> <p>F (v) UNHCR may not have the capacity to assign enough senior staff and for a sufficient period of time to properly respond to emergencies, exposing the organization to a loss of credibility.</p> <p>F (vi) Lack of training on emergency procedures provided to senior managers could result in them not having the capacity to cope with managing emergency operations.</p>	<p>Improved FastTrack procedures may address the concern of deploying staff to emergencies quickly and efficiently.</p> <p>UNHCR has an Emergency Response Team which has been deployed more than 20 times over the last two years.</p> <p>UNHCR conducts Workshops on Emergency Management and interagency Emergency Team Leadership Training programmes. The eCenter training and capacity-building facility was established in Japan to improve emergency preparedness and response.</p>	Human Resources	Likely	High	Higher Risk

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	D (i) Inability to mobilise financial resources quickly enough to emergency operations may result in delays in delivering assistance and even failure of emergency programmes.	US\$ 10 Million is made available in the Operational Reserve for emergency activities. Improved resource allocation procedures allow more flexibility to Representatives in the field to respond to changing needs.	Financial	Possible	High	Higher Risk
	C (i) Difficulty to ensure that controls are followed in emergency operations could result in increased fraud exposure, for example through diversion of goods and money.		Compliance	Possible	High	Higher Risk
	G (i) Lack of proper and timely communication of Headquarters and the field, including Regional Offices, on emergency operations may lead to lack of HQ and regional support to emergency response teams and them not achieving their objectives in the field.		Information Resources	Possible	High	Higher Risk
	B (i) Lack of appropriate co-ordination mechanisms between UNHCR and other actors (other UN Agencies, NGOs, Government entities, etc.) during emergencies may lead to improper coordination of activities, and duplication or gaps in assistance to beneficiaries.	The move towards the 'One UN' and the Cluster Approach means that there will inevitably be more system-wide coherence and coordination. Internal communications and linkages have been streamlined through organizational changes.	Governance	Possible	High	Higher Risk

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
IX	IDP protection and assistance			Likely	High	Higher Risk
	<p>A (i) Deterioration of relations with the host countries could lead to UNHCR not achieving its mission and goals in protecting and assisting Internally Displaced Persons (IDPs).</p> <p>A (ii) Authorities challenging the UNHCR mandate for IDP assistance may prevent UNHCR access to the IDP population and thus limit UNHCR's scope to deliver.</p> <p>A (iii) Donor and media driven need to be actively involved in the IDP programme ("need to be seen doing something") may risk sacrificing UNHCR's other priority areas.</p> <p>A (iv) The UN Cluster Approach may not be effective in dealing with protracted IDP situations as it may work only in new emergencies for which it was primarily developed.</p> <p>A (v) Donors' interest in the Cluster Approach as a cost-saving measure might undermine or run counter UNHCR's core mandate of protection, which cannot be shared or delegated merely as a cost-saving measure.</p> <p>A (vi) The complexity of IDP "status determination" may make UNHCR ill-equipped to deal with the new mandate effectively and with a long term view.</p> <p>A (vii) Differential treatment of IDPs versus refugees may be perceived negatively and affect UNHCR's credibility.</p>	<p>Whereas previously UNHCR's role in protecting and assisting IDPs was rather ad-hoc, or as requested by the Secretary-General or General Assembly, it is now taking place under the auspices of an established framework. At the same time, UNHCR contribution to IDP protection and assistance is part of an inter-agency response, through the Inter-Agency Standing Committee (IASC) for which the Office may not necessarily control the processes and policies.</p> <p>In October 2006, UNHCR organised a lessons-learned and effective practice workshop to discuss the challenges and directions to take in its role on IDPs. Various recommendations from the workshop have since been dealt with. In 2007, UNHCR conducted five internal Real Time Evaluations (RTE) of its IDP operations. The overall findings were presented to the UNHCR Standing Committee. The results showed that apart from the early stages, there was no negative impact on the refugee programme.</p>	Strategy	Likely	High	Higher Risk

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>D (i) UNHCR may not have the necessary financial resources to fulfil its mandate to IDPs.</p> <p>D (ii) IDP operations entirely depending on supplementary budgets which, by nature, do not provide funding predictability, could go against the principle of enhanced predictability in response, which is at the core of the Cluster Approach.</p>	<p>The pooled funding concept of the UN Cluster Approach applied to IDP operations means that the funds will be officially donated to the UN Resident Representative who will make the final decision based on funding availability. Pool funds exist in certain IDP operations, and is thus not a problem in all operations. Critical budgeting issues relating to the IDP mandate will be reviewed as a strategic priority in UNHCR. UNHCR plans to propose to EXCOM a new budget structure for the global IDP programme, whereby the funding would be a on a project basis.</p>	Financial	Likely	High	Higher Risk
	<p>E (i) Inadequate policy and guidance materials on IDP protection may prevent UNHCR staff from developing strategies at the local level and effectively implementing the UNHCR policy framework for IDP protection.</p> <p>E (ii) Lack of preventive measures in IDP assistance could lead to the necessity to assist ultimately a larger number of persons.</p> <p>E (iii) Poor programme decisions may be made as a result of UNHCR staff's inability to understand and analyse the profile of IDP population.</p>	<p>In early 2007, the High Commissioner issued a (IOM26/07-FOM28/07) Policy Paper on Internal Displacement. It is foreseen that this policy will be revised on a regular basis.</p>	Operational	Possible	High	Higher Risk

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>F (i) Lack of staff with appropriate profiles to be deployed to IDP operations and inadequate training could result in poor delivery of IDP programmes.</p> <p>F (ii) UNHCR staff may be exposed to high security risks as a result of IDP populations usually being in areas of internal conflict.</p>	<p>UNHCR is currently engaged in 24 IDP operations, of which 9 are ongoing humanitarian emergency operations under the cluster approach.</p> <p>Training has been organised, focusing on the cluster approach, strategic partnerships and cluster leadership and coordination skills. These include Workshops on Emergency Management and the Operations Management Learning Programme. A learning programme for senior UNHCR managers is currently jointly launched by DOS/DIPS and DHRM.</p> <p>UNHCR is also working with its cluster partners to strengthen rosters of technical experts and cluster coordinators. Modalities for Fast-Track positions in IDP operations were recently issued in IOM/006-FOM/008/2008.</p> <p>UNHCR plans to review training and security requirements for the IDP programmes during the 2008-09 biennium.</p>	Human Resources	Likely	High	Higher Risk

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>G (i) Insufficient knowledge and information management systems to ensure communication flow and cross-fertilization of ideas with partners and other interested parties may hamper the implementation of the IDP programmes.</p>	<p>UNHCR chairs the global Protection Cluster Working Group. It has already produced an inter-agency IDP Protection Handbook and is in the process of developing inter-agency Field Monitoring Guidelines. An inter-agency training module on protection coordination will also be delivered.</p> <p>Data management systems are in the process of being strengthened, as well as internet links.</p>	Information Resources	Likely	Medium	Higher Risk
	<p>B (i) Although approved by EXCOM, the IDP mandate of UNHCR is still not supported by all member States. This may have an impact on UNHCR's effectiveness in IDP related activities.</p> <p>B (ii) Lack of prioritization of the activities that UNHCR should itself commit to within the spectrum of its IDP mandate may result in UNHCR getting involved in too many areas and unable to add value.</p> <p>B (iii) Accountability may become diluted as a result of the large number of agencies involved and the coordination mechanisms in place in the IDP operations.</p>		Governance	Likely	Medium	Higher Risk

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
X	Programme planning			Likely	High	Higher Risk
	<p>E (i) Lack of proper planning and formulation of programme activities may result in inefficiencies and non achievement of programme objectives.</p> <p>E (ii) Inaccurate estimates of refugee numbers for planning, and hence for assistance, may result in over or under-budgeting of programme requirements.</p> <p>E (iii) Clear objectives and benchmarks may not be set in the Sub-Project Agreement leading to project objectives not being achieved.</p> <p>E (iv) Proper needs and resource assessment may not be conducted prior to establishing the Letter of Instruction (LOI) leading to numerous supplementary agreements, and, consequently, administrative inefficiency and delays in programme implementation.</p> <p>E (v) Lack of dialogue with refugee populations in camps and communities, especially in the programme planning stages, may lead to implementation of activities that are not effective or in the best interest of the target population.</p>	<p>The planning procedures are stipulated in UNHCR Manual, Chapter 4. These instructions are regularly updated by various communications to the field through IOM/FOMs. The new format for Country/Regional Operations Plan (COP/ROP) entails an improved planning format to better reflect the principles of RBM.</p> <p>For the refugee caseload, apart from the very initial estimate during a new emergency influx, the guidance provided to the operations is to conduct registration for the individual protection and accurate planning. Guidance is available to field operations on estimating refugee numbers through the Emergency Handbook and Regional/HQ based Registration Officers. UNHCR has also published a Handbook on Registration.</p> <p>Each country operation contributes to UNHCR global planning by submitting a COP to HQ on a yearly basis. The COPs are reviewed and consolidated before funding proposals are submitted to ExCom. The Letters of Instruction (LOI) are then addressed to the Representatives or other persons responsible for the implementation of projects.</p> <p>Participatory needs assessments are now the norm in planning and implementing UNHCR's operations. Involved parties include refugee representatives, donors, IPs, UN agencies and government counterparts.</p>	Operational	Likely	High	Higher Risk

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	B (i) Inability to adequately mainstream vulnerable beneficiaries into UNHCR operations in the planning stage may impact UNHCR's reputation.	UNHCR has adopted a strategy to mainstream age, gender and diversity considerations into all its operations. A three-year Action Plan and an Accountability Framework for age, gender and diversity have been developed. In 2008, an independent evaluation of the strategy will be conducted.	Governance	Possible	Medium	Moderate Risk
	<p>F (i) Lack of staffing capacity - in terms of numbers and experience - to plan and develop programmes and projects may result in low implementation compared to the funds available, impacting UNHCR's reputation and future fundraising capacity.</p> <p>F (ii) Inadequate training and guidance in programme planning and budgeting to all staff involved in programme planning, including financial and technical experts, could lead to poor planning of programmes.</p>		Human Resources	Likely	High	Higher Risk
	G (i) Lack of reliable data (for instance, scientific data) to build performance indicators may result in significant planning errors that could affect the resources available or committed for projects.	UNHCR has recognised the need to improve the use of performance indicators and has developed a Practical Guide to the Systematic Use of Standards and Indicators in UNHCR Operations. The standards and indicators in the area of IDP operations are currently being reviewed.	Information Resources	Likely	Medium	Higher Risk

7	Focus Area: Programme and Project Management			Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>D (i) Availability of funding for certain earmarked programmes, or donor preferences, may result in UNHCR accepting projects that do not contribute most effectively to the UNHCR country programme.</p> <p>D (ii) The cost effectiveness, long-term sustainability, and future use may not be considered in planning for construction of costly permanent structures in an adequate manner, leading to waste of financial resources.</p>		Financial	Possible	Medium	Moderate Risk
XI	Programme implementation including Direct implementation			Likely	High	Higher Risk
	<p>A (i) Inability to prioritise among many competing objectives at the country level may result in poor implementation of programmes.</p> <p>A (ii) Trade off of priorities between core protection tasks, donor preferences and political pressures in country operations may result in unbalanced and ineffective programme delivery.</p> <p>A (iii) Inability to maintain an appropriate balance between direct and indirect implementation may result in operational inefficiencies and lack of cost effectiveness.</p>	<p>The new Framework for Resource Allocation and Management has provided increased delegation of authority and flexibility in decision-making by Representatives in the field.</p> <p>The Field Review, as part of the Structure and Management Change Process, is looking at UNHCR's implementing arrangements in an aim to strike an appropriate balance between direct and indirect implementation. This review is conducted with the assistance of the consulting firm Dalberg Global Development Advisors.</p>	Strategy	Possible	High	Higher Risk

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>F (i) High absence rates of staff in hardship duty stations, due for example to time gaps in filling posts or frequent R&R breaks by staff members, may result in interruptions in operations or delays in programme implementation.</p> <p>F (ii) Lack of institutional memory may result in “reinventing the wheel”, i.e. making similar mistakes in programme implementation.</p> <p>F (iii) In direct implementation, UNHCR's staffing resources may be tied up in areas that are not most cost-effective or where UNHCR lacks the required expertise and skills.</p>		Human Resources	Likely	High	Higher Risk

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>E (i) Lack of capacity to start an operation on time and as planned may result in UNHCR not achieving the expected programme objectives without a corresponding reduction in the cost of the operation.</p> <p>E (ii) Proper implementing instruments may not be entered into prior to the commencement of activities and the Sub-Project Agreements may not be amended when required which could impact the implementation of a project and the achievement of project objectives.</p> <p>E (iii) Lack of availability of competent implementing partners in certain locations or lack of time allocated to identifying good available IPs may result in implementation having to be done by UNHCR at a higher cost.</p> <p>E (iv) Lack of partner UN agencies in some locations (IOM, WFP, UNICEF, etc) may require UNHCR's involvement in areas that do not directly fall under its mandate (e.g. food, transportation).</p> <p>E (v) The number of beneficiaries to material assistance may not be reliably and accurately counted, resulting in over- or under-provision of assistance.</p>	<p>There are detailed instructions for implementation of projects and programmes in UNHCR Manual Chapter 4 which provides guidance on implementing partner selection, as well as on types and content, preparation and processing, and amendments of implementation instruments.</p> <p>Some Implementing Partners and UN country offices have custom-made beneficiary information systems for tracking the provision of material assistance.</p>	Operational	Likely	High	Higher Risk

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>B (i) Lack of clearly established accountability for direct implementation projects could result in financial losses to UNHCR</p> <p>B (ii) Increased risk-averseness of the UN system, particularly in terms of safety and security of staff, may have negative implications on UNHCR's programme implementation.</p>		Governance	Possible	High	Higher Risk
	<p>D (i) Inability to spend project funds due to reasons that are outside of UNHCR's control may lead to budget cuts in the following year.</p> <p>D (ii) Poor coordination with NGOs and donor agencies and a mechanism to obtain details from the IPs on co-funded activities may result in duplication of financial allocations for assistance to UNHCR beneficiaries.</p>	<p>External factors could be weather conditions, security or health concerns, or host government restrictions.</p> <p>UNHCR is working on a standard framework agreement with partners to be used by country operations.</p>	Financial	Likely	Medium	Higher Risk
	<p>C (i) The scrutiny of reporting on directly implemented projects may not be as reliable and subject to the same requirements and expectations as that required of implementing partners.</p>		Compliance	Possible	Low	Lower Risk
	<p>G (i) Lack of communication between different levels within UNHCR may lead to mismatch of policy directives and programme implementation, resulting in ineffective programme implementation.</p>		Information Resources	Possible	High	Higher Risk

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
XII	Global projects ('VAR' projects)			Possible	Medium	Moderate Risk
	<p>E (i) Lack of adequate monitoring of the global VAR projects at Headquarters level may result in inefficient use of resources.</p> <p>E (ii) Lack of clarity in the procedures and transparency in terms of the VAR projects may result in the intended purpose and benefits of these projects not being properly attained.</p> <p>E (iii) Inadequate evaluation of the benefits and impact of the VAR projects may result in high opportunity costs.</p>		Operational	Possible	Medium	Moderate Risk

7	Focus Area: Programme and Project Management			Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
XIII	Programme monitoring and reporting			Likely	High	Higher Risk
	<p>E (i) Inability to track actual programme implementation against the original plan may result in reduced credibility and funding difficulties for UNHCR.</p> <p>E (ii) The work plans established at the signing of the sub-project agreements may not always be kept up-to-date and used as a monitoring tool.</p> <p>E (iii) Non-timely identification of problematic areas during programme implementation, whether direct or indirect, and lack of remedial action may result in financial losses, low implementation rates and non-achievement of project objectives.</p> <p>E (iv) The accounting systems used by Implementing Partners may not be well comprehended by UNHCR's programme staff, or the supporting documents - including accounting records - may not be available, rendering UNHCR's monitoring ineffective.</p> <p>E (v) Lack of or inadequate advice and guidance given to implementing partners (in particular local NGOs and government partners) to improve their internal controls may result in inefficiencies or non-compliance with UNHCR rules and procedures.</p>	<p>UNHCR Manual Chapter 4 provides the framework for project and programme monitoring and reporting. The new Framework for Resource Allocation and Management requires an annual 'mid-year programme review' and sets out the responsibilities for conducting such reviews. The aim of these reviews is to provide an opportunity to revise plans and allocate resources across the operations. The new format for Country/Regional Operations Plan (COP/ROP) introduced for the 2008-09 biennium has aimed to strengthen reporting of results and impact achieved in relation to objectives and targets set.</p>	Operational	Likely	High	Higher Risk

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>E (vi) Inadequate UNHCR project monitoring in the field, as a result of security, weather, distance, or other constraints preventing travel to remote areas, could adversely affect the achievement of the programme objectives.</p> <p>E (vii) Lack of access to camps and refugee communities may prevent UNHCR from monitoring programme implementation.</p> <p>E (viii) Key performance indicators may not have been identified for certain sectors or may not be suitable for all populations of concern to UNHCR, rendering programme monitoring and reporting ineffective.</p> <p>E (ix) Lack of or inadequate documentation over the procedures and results of monitoring exercises carried out by UNHCR Programme staff may result in key issues not being identified or not systematically being acted upon.</p> <p>E (x) The impact of the programme against its objectives may not be continuously measured resulting in lack or inappropriate decision making process.</p>	<p>UNHCR sometimes relies on third party or local staff to provide assurance that projects are actually and satisfactory implemented.</p> <p>Performance indicators are well defined in the Sub Project Agreements, but these may be disregarded both by either the IPs or UNHCR Programme staff. Performance indicators are being further developed for the implementation and roll-out of RBM/Focus.</p>				

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>E (xi) Weak monitoring of the financial Sub Project Monitoring Reports (SPMR's) submitted by the partners may result in the undue approval and release of further instalments to IPs.</p> <p>E (xii) Lack of division of responsibilities of programme activities between Branch Offices and Field Offices may result in lack of quality monitoring and follow up on issues encountered and less focused organisation of activities.</p>					

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>C (i) Non-compliance of implementing partners receiving UNHCR financial contributions for their Headquarters administrative costs with the UNHCR procedures to ensure that an equivalent amount is channelled by them to the UNHCR programme, may result in financial losses to UNHCR.</p> <p>C (ii) Non-compliance with the UNHCR policy on IP audit certification may result in insufficient oversight of programme expenditures and lack of assurance that expenditures have been made in accordance with programme objectives.</p> <p>C (iii) Absence of systematic follow-up on audit recommendations made by external auditors during the process of audit certification of projects implemented by NGOs and Governments may allow internal control weaknesses to persist.</p> <p>C (iv) Delays in contracting the external audit firm or in submitting the records for audit purpose may result in UNHCR not satisfying the audit certification process on time for the review by the Board of Auditors. This may affect the BoA's opinion on UNHCR's financial statements.</p> <p>C (v) Lack of expertise and professionalism of the local external auditor, lack of staff, or insufficient briefing on UNHCR rules and procedures, mandate, operations, etc. may result in poor quality of the audit certificates issued.</p>	<p>In accordance with UNHCR rules and procedures, international NGOs receiving contributions for their HQ expenses contribute at least an equivalent amount to the UNHCR programme.</p> <p>In 2006, insufficient evidence that the audit certification process was taken seriously in UNHCR led to the Board of Auditors almost qualifying UNHCR's accounts. Accordingly, UNHCR is fully aware of the importance of having a good audit certification process in place, and in October 2007, a new IOM/064/2007-FOM/067/2007 on Implementing Partner Audit Certification - Roles, Responsibilities and Accountabilities, was issued. The procedure calls for, inter alia, recording of audit certificates upon receipt directly in MSRP, dispatch of scanned certificates to Records and Archiving Section at UNHCR Headquarters, and taking remedial action on issues raised in the audit reports. It also establishes accountability for follow-up on audit reports at all levels.</p>	Compliance	Likely	High	Higher Risk

7	Focus Area: Programme and Project Management			Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	F (i) UNHCR programme staff's lack of financial skills may result in the (financial) verification of the reports produced by the implementing partners not being correctly performed, resulting in financial reporting inaccuracies, poor performance or non-compliance with UNHCR policies, and procedures being overlooked.	The post of a Project Control Officer or an Assistant Project Control Officer has been approved for some operations.	Human Resources	Likely	Medium	Higher Risk
	G (i) Lack of relevant and applicable automated tools may result in inability to measure the achievement of project objectives.	The implementation of Result Based Management aims at improving UNHCR reporting on achievement of programme objectives. FOCUS software, intended to link with the UNHCR RBM framework, should facilitate integrated programme monitoring, once completed.	Information Resources	Possible	High	Higher Risk
XIV	Programme evaluation			Likely	Medium	Higher Risk
	<p>E (i) Evaluation exercises carried out on projects may not be systematically used as a basis of and linked to the planning and implementation of future projects resulting in not considering more effective and efficient project alternatives.</p> <p>E (ii) Lack of or inadequate critical post-evaluation of the performance indicators and indicator methodology may result in poor future programming decisions.</p>	<p>UNHCR Division of Operational Support is working on the development of and dissemination of tools such as performance and impact target to help the country operations in measuring the performance and the impact of their programme. Detailed instructions are contained in Practical Guide to the Systematic Use of Standards & Indicators in UNHCR Operations issued in 2004 and revised in 2006. In addition, a IOM-FOM providing details instructions for the Project Submissions for 2007 was issued in October 2006.</p> <p>UNHCR has a Policy Development and Evaluation Service (PDES) which has the overall responsibility for the development of the Organization's evaluation function.</p>	Operational	Likely	Medium	Higher Risk

7	Focus Area: Programme and Project Management		Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	D (i) Lack of financial benchmarks at UNHCR to assess the efficiency and effectiveness (such as: cost of repatriation per refugee) of programme performance may lead to uneconomical or inefficient strategic and operational decision-making.		Financial	Likely	Medium	Higher Risk
	<p>B (i) Programme evaluation may not be adequately integrated in the overall system of RBM and adequately regarded as a strategic management tool.</p> <p>B (ii) As a result of the establishment of the Policy Development and Evaluation Service, the resources it has available may be committed to policy advisory capacity, at the expense of regular programme evaluation.</p>	<p>The Focus software, once implemented in 2010, should enhance UNHCR's capacity to assess performance of programmes and operations.</p> <p>The DHC has recently asked ODM to address this issue in the ongoing Headquarters review.</p>	Governance	Possible	High	Higher Risk

Risk Assessment of : UNHCR

8	Focus Area:	Conference and Documents Management		Remote	Low	Lower Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
I	Records management and archiving			Remote	Medium	Lower Risk
	<p>E (i) Inadequate safeguarding of confidential records and data could lead to sensitive information leaking out and a reputation risk to UNHCR.</p> <p>E (ii) Ineffective policy on archiving of electronic records, including emails, may result in losing significant electronic records.</p> <p>E (iii) Disappearance of the UNHCR Library coupled with the poor functioning of Livelink could create serious institutional memory gaps.</p>	<p>UNHCR has an electronic document management system (called EDMS or Livelink) to manage all documents including paper, fax, email and word processing documents. The Electronic Records Policy issued in 2005 is built around the Livelink system. However, the actual use of Livelink by staff members has been rather limited and it is only available at Headquarters. UNHCR is planning to roll-out its electronic archiving system at the field level.</p> <p>UNHCR's Email Policy, dated 2006, stipulates that emails will be retained in servers only for 18 months after being received or sent.</p> <p>UNHCR's Records and Archives Section (DER) manages the structure of electronic record-keeping and implements record destruction schedules.</p>	Operational	Remote	Medium	Lower Risk

8	Focus Area: Conference and Documents Management			Remote	Low	Lower Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
II	Conference management			Remote	Low	Lower Risk
	E (i) Lack of coordination in planning for meetings and conferences, such as ExCom, Standing Committee, etc., may result in cancellations, poor attendance, or participant dissatisfaction.	Coordination is one of the main criteria behind UNHCR's efforts to ensure effective and efficient servicing of Executive Committee meetings and other conferences, and successful management in this respect depends on willing cooperation and collaboration of Units throughout UNHCR HQ and of delegations themselves. UNHCR is fully aware that it is particularly important to recognize and nurture the traditional and still evident humanitarian spirit and goodwill of delegations in committing time to attend many different meetings on UNHCR issues. If this were to be eroded by perceptions of poor planning or unreasonable demands on delegates' – or senior UNHCR managers' - availability, relations with key stakeholders could be adversely affected.	Operational	Remote	Low	Lower Risk

8	Focus Area: Conference and Documents Management		Remote	Low	Lower Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
III	Document control			Possible	Low	Lower Risk
	<p>E (i) Late submission of documents for meetings of the governing bodies could adversely affect decision-making.</p> <p>E (ii) Errors during processing of official documents could lead to reputational risks to UNHCR.</p>	<p>The Executive Committee's methods of work state:</p> <p>(a) In order to facilitate effective decision-making, all documentation prepared for Standing Committee meetings must be available to delegations at least three weeks prior to any meeting;</p> <p>(b) Consideration of any agenda item on which a Standing Committee decision or conclusion is required will be postponed to a later meeting in cases where documentation is not made available at least three weeks before the Standing Committee meeting at which it is scheduled for consideration;(A/AC.96/860 of 23 October 1995).</p> <p>UNHCR agrees that screening of texts for political/protocol correctness and quality control of substance is extremely important. Therefore, trained and experienced staff and timely availability of draft texts are given priority to avoid rushed processing which would heighten the risk of errors.</p>	Operational	Possible	Low	Lower Risk

Risk Assessment of : UNHCR

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
1	Asset management			Likely	Medium	Higher Risk
	<p>B (i) Absence of centralized authority and ownership by SMS, allowing for informed decision-making on the (re)deployment of assets and the global management of assets, could result in inefficient use of UNHCR assets.</p> <p>B (ii) Asset management may not be a strategic management priority in UNHCR, resulting in poor accountability for asset tracking and asset utilization.</p> <p>B (iii) Lack of resources and lack of priority given to asset management may result in the responsibility for asset management being put too low in the organization structure and hierarchy, and lead to inadequate tracking of assets and loss of assets.</p> <p>B (iv) The Headquarters Asset Management Board (HAMB) support functions (Secretariat and Asset Management Unit) may be undervalued, resulting in inadequate monitoring of assets.</p> <p>B (v) The level of authority of the HAMB may be too high, leaving little room for the Local or Regional Asset Management Boards (LAMBs/RAMBs) to decide on cases and causing increase in the HAMB caseload.</p>	<p>The Supply Management Service is committed to improving asset management, but since most of the assets are in the field there needs to be a global commitment at all levels to strengthen internal controls of asset management. With the pending implementation of IPSAS, action is being taken to ensure there is a global system in place to accurately report and follow-up on assets. The introduction of MSRP Supply modules to the field and the consequent retirement of the Asset track system have strengthened the overview and management of assets in UNHCR.</p> <p>The envisaged implementation of an accountability framework should ensure awareness of the importance of management responsibility in the establishment of strong internal controls for asset management.</p> <p>The functioning of the Asset Management Boards is covered in relevant IOM-FOMs.</p>	Governance	Likely	Medium	Higher Risk

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
	<p>C (i) The right of use agreements of assets with implementing partners may not be signed or amended when required, resulting in a possible control and accountability gaps.</p> <p>C (ii) Unreliable records of assets may result, if physical verifications are not conducted on a regular basis.</p> <p>C (iii) Losses due to accidents, theft and pilferage may go un-reported or may not be actively pursued to establish accountability and restitution.</p> <p>C (iv) Flaws in the reporting of cases to the HAMB (by LAMBs/RAMBs) may result in inaccuracies of reported losses.</p>	<p>UNHCR Supply Management Manual provides detailed guidance on asset management. UNHCR Manual Chapter 4 also covers procedures for the management of assets/non-expendable property.</p> <p>According to ST/AI/2004/03 of 29 September 2003 entitled "Financial responsibility of staff members for gross negligence", UNHCR managers may become personally and financially responsible for their acts or failure to act.</p>	Compliance	Likely	Medium	Higher Risk
	<p>D (i) Poor cost consciousness of staff in field operations may result in inefficiencies in asset management and financial losses to the UNHCR.</p> <p>D (ii) Excessively heavy focus on the cost of assets, rather than on the performance and utilization of assets in UNHCR operations, could result in inefficient use of the Organization's resources.</p>	<p>Regarding vehicles, the introduction of a fleet management module to MSRP will ensure better monitoring and reporting on the vehicle fleet and allow SMS to take action where poor vehicle management is evident</p>	Financial	Likely	Medium	Higher Risk

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
	F (i) Lack of training to field staff on MSRP Asset module may result in inaccurate asset records, weak asset tracking and loss of assets.	Extensive MSRP training for 176 field locations has recently been concluded. SMS has established a training unit whose mandate is to also train in asset management. Regular courses in Asset Management are being conducted at the field's request.	Human Resources	Remote	Medium	Lower Risk
	E (i) Lack of coordination and assignment of responsibilities between Programme and Admin sections in the field may result in inadequate asset tracking and asset management duties not performed. E (ii) Lack of sufficient tracking of assets procured by implementing partners may result in UNHCR's inability to establish location and ownership of these assets, or loss of the assets.	With the introduction of MSRP as a field management tool this risk is reduced since all assets procured are visible to SMS and are compared with the entries in the Asset management module.	Operational	Possible	Medium	Moderate Risk
II	Warehousing and stock management			Likely	Medium	Higher Risk
	E (i) Inability to control the outgoing movements of stock, e.g. due to inadequate authorization and documentation, could result in financial losses to the Organization. E (ii) Inadequate planning of supplies and poor information on donations could result in overstocking.	UNHCR's Supply Management Manual has a comprehensive chapter on Warehouse Management. UNHCR's Emergency Handbook provides guidance on supplies management and transport issues in emergency operations, including warehousing and stock management.	Operational	Likely	Medium	Higher Risk

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
	<p>D (i) Stock in UNHCR warehouses may not be or may be insufficiently insured which could result in financial losses due to fire, theft or sabotage.</p> <p>D (ii) Lack of transparency and unclear accounting practices for donations received by country operations (e.g. receipt of Non Food Items by a country programme) may result in inefficiencies and loss of UNHCR assets.</p>		Financial	Possible	Medium	Moderate Risk
	<p>G (i) The stock management system in place may not provide for a systematic recording of the goods purchased and received in inventory records, possibly leading to financial losses or misappropriation of assets.</p>	<p>The MSRP stock management system does provide for a systematic recording of goods purchased and received in inventory records, but is currently used in only 10% of the warehouses.</p>	Information Resources	Possible	High	Higher Risk
III	Facilities management			Remote	Low	Lower Risk
	<p>D (i) Improperly prepared office rental contracts may not be beneficial for UNHCR, binding them for extensive periods of time with no right to terminate or at too high a cost.</p> <p>D (ii) Facilities management contracts may not be cost effective, resulting in financial losses to UNHCR.</p>	<p>In most locations, UNHCR rents office premises and contracts out facilities management (cleaning, maintenance, security, etc.), subject to UNHCR procurement rules.</p>	Financial	Remote	Low	Lower Risk

Risk Assessment of : UNHCR

10	Focus Area:	Safety and Security		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
I	Security management planning and priority-setting			Possible	High	Higher Risk
	<p>A (i) Too many competing priorities within UNHCR could result in a situation where security issues may be treated as a “backburner”.</p> <p>A (ii) Lack of a unified approach to security and safety management, including in-house coherence within UNHCR in relation to managing security risks, could lead to disruptions of operations, loss of human life and property, and damage to the Organization’s reputation</p> <p>A (iii) The security system may not be adequate to establish a correct correlation between security efforts in capital cities, where UNHCR representations are based, in UNHCR field offices, and in refugee camps.</p> <p>A (iv) Security issues may not be sufficiently discussed and acted upon at all levels (HQ, Representations, DSS, Host government), resulting in gaps in the information flow and decision-making.</p> <p>A (v) UNHCR's financial investment in security may be perceived by media, host country population and beneficiaries as money misdirected and spent on areas that have little to do with the actual implementation of UNHCR mandate, thus negatively affecting UNHCR's reputation.</p>	<p>UNHCR is the UN organization with the highest number of staff working in hardship and security phase environments. All UNHCR staff members have to undertake mandatory safety and security training courses. For the recent emergency operations, there has been an increase in the number of Security Officer posts. The Field Safety Section (FSS) ensures coherence in security management within UNHCR. The UN Security Management Team (SMT) monitors the implementation of UNHCR security plan. Some country operations, alone or in cooperation with DSS or the SMT, have conducted detailed security risk assessments. One of the performance targets of UNHCR for 2008-09 is to finalise the security risk assessments of all Phase III locations.</p>	Strategy	Possible	High	Higher Risk

10	Focus Area: Safety and Security			Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	D (i) The classification of safety and security expenditures as administrative costs rather than operational/programme costs, may result in lower prioritisation of security issues in budgetary and programme planning.	Efforts are made to separate and 'firewall' security budgets. In addition, security trainings towards field managers highlight the importance of the security budget.	Financial	Possible	Medium	Moderate Risk
II	Rules and policies governing security management			Possible	High	Higher Risk
	A (i) Strict compliance with the security procedures and the UN security management structure under the auspices of DSS, might limit UNHCR's capacity to deliver according to its mandated objectives and impact negatively on its operations.	Even if security level is high, UNHCR management might be forced to take the decision to continue the operations. On the other hand, sometimes the security measures in place do not correspond to any real threat on the basis of an accurate security risk assessment. There is a balance to be drawn from the combination of operational necessities and existing security controls. Guidance can also be sought from the UNHCR Field Safety Section at HQ.	Strategy	Possible	High	Higher Risk
	E (i) The establishment of the security phase may be driven as much by political considerations as by an analysis of the security risks, resulting in insufficient or unclear criteria for the declaration of security phase. E (ii) UNHCR's Security Policy may not be up-to-date to reflect the new security environment and UN security management structure.	There is a policy document that provides clear guidelines for the declaration of security phase by the Designated Official and its review mechanism at UN Headquarters. In addition, the security phase is no longer a determining factor for mitigating measures. All mitigating factors are based on the security risk assessment UNHCR's Security Policy dates back to 2002.	Operational	Possible	Medium	Moderate Risk

10	Focus Area:	Safety and Security		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>B (i) The influence of UNHCR in New York at the DSS level may not be commensurate with the size of UNHCR field operations, which may result in not properly reflecting UNHCR position on security policies and rules.</p> <p>B (ii) Lack of adequate staffing and overall support of DSS to UNHCR may result in UNHCR being inadequately advised and supported in field operations.</p>	<p>The UN Security network is keeping abreast of and monitoring the changing threats, situation and security conditions on the ground. To mitigate the risk of the lack of influence on common decisions UNHCR is paying more attention to UN-wide security cooperation issues. DSS has expanded and, according to UNHCR, the assistance, guidance, and coverage of DSS has greatly improved. In addition, UNHCR has expanded the Regional Security coverage, so even if DSS was not present, UNHCR would have a fully functional coverage.</p>	Governance	Remote	High	Moderate Risk
	<p>D (i) Lack of proper budgetary planning for security/safety equipment expenditures may result in non-compliance with the MOSS/MORSS requirements and strain on other budgets.</p>		Financial	Possible	Medium	Moderate Risk
	<p>G (i) The flow of security information within UNHCR may too lengthy and complex for the volatile realities on the ground, resulting in potentially serious security incidences.</p> <p>G (ii) Lack of communication on security and safety matters in UNHCR between the Desk, Field Safety Section and Representation may result in gaps in decision-making.</p>	<p>Efforts are in place to improve the flow of information. However, in complex and volatile operation, UNHCR always has Field Safety Staff on the ground with direct access to Head of Office and Representatives, ensuring direct and immediate access to decision making.</p> <p>A strategic effort over the past years in training senior managers on a comprehensive security programme has paid dividends, and communication in UNHCR's view is today at a very good level.</p>	Information Resources	Remote	High	Moderate Risk

10	Focus Area: Safety and Security		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	C (i) Inability to ensure full compliance with the MOSS/MORSS guidelines could result in increased security risks to staff and facilities.	By the end of 2009, as per the Global Strategic Objectives, UNHCR aims to be 100% MOSS compliant. UNHCR's own surveys indicate that this is achievable, and in good progress.	Compliance	Remote	High	Moderate Risk
III	Funding of security management			Possible	Medium	Moderate Risk
	<p>D (i) Fundraising and budgeting for security and safety management may not be a strategic and proactive process but reactive to a crisis.</p> <p>D (ii) Inability to secure adequate funding may result in insufficient time and resources dedicated to overall safety and security management, including strategic planning.</p> <p>D (iii) Inadequate funding may result in not having field security advisor posts available for every country operation, or at least the most critical ones.</p> <p>D (iv) Donors may not have appetite to fund security expenditures if their focus is on funding refugee activities directly.</p>	<p>UNHCR has an annual budget prepared just for unforeseen security expenditures. In addition, the High Commissioner has made a commitment that funds would be available to ensure MOSS compliance world-wide.</p> <p>In April 2008, UNHCR issued a Security Budgeting policy which outlines where funds may be expended for security activities and identifies general and specific issues related to budgeting and implementation of security measures.</p> <p>According to UNHCR, there has never been a funding problem in placing Field Safety Staff, it is based on operational needs. UNHCR has an international field safety advisor in place in all critical operations.</p> <p>In all recent crises, donors have come forward to provide protective equipment.</p>	Financial	Possible	Medium	Moderate Risk

10	Focus Area: Safety and Security		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
IV	Security personnel			Possible	Medium	Moderate Risk
	E (i) The tasks of security and safety staff in UNHCR Headquarters may not be properly defined, resulting in gaps and overlaps between their roles and responsibilities, and confusion among staff seeking guidance on security and safety matters.	<p>Effective 1 January 2008, the UNHCR Field Safety Section at Headquarters has been restructured. The staff at HQ now consists of only four professional staff, who have specific roles, including operational security, risk management and beneficiary security. In the field, there are Regional Senior Field Safety Advisers (5), as well as Senior Field Safety Advisers and Assistant Field Safety Advisers, depending on the location. Thematic responsibilities are assigned in IOM/017-FOM/019/2008.</p> <p>Gaps have been sealed by shifting some responsibility to the regional structures. UNHCR generally aims to refer those seeking security advice of a specific situation to the field; either to the thematic expert or to a country security staff, as these will have better, more up-to-date information than those in HQ.</p>	Operational	Possible	Medium	Moderate Risk

10	Focus Area: Safety and Security		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>F (i) Inability to fill positions of Regional Senior Field Safety Advisers may result in inadequate supervision of field security officers.</p> <p>F (ii) Inability to fill vacant posts of Field Safety Advisers may result in gaps in security management in the field.</p> <p>F (iii) Inadequate recruitment procedures for security officers, including assessing their aptitude and personal qualities to operate in sometimes difficult conditions, may result in selection of people who are unable to fulfil their duties .</p> <p>F (iv) If the criminal background checks on potential new recruits of security personnel are inadequate, this could expose UNHCR staff and facilities to risk of loss, damage or sabotage.</p> <p>F (v) Inadequate training, briefing and continuous professional development of UNHCR security officers may result in weak security management in the field.</p>	<p>In general, UNHCR security and safety staff has extensive background in military, police forces, and in hardship situations.</p> <p>As UNHCR has regional senior safety advisors, there will always be a “mentoring and oversight” function.</p>	Human Resources	Possible	Medium	Moderate Risk

10	Focus Area: Safety and Security		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
V	Safety of staff and facilities		Possible	High	Higher Risk	
	<p>A (i) In the performance of their functions in providing refugees legal and physical protection, UNHCR staff may be subject to physical violence and assaults.</p> <p>A (ii) Volatile political situation, including civil unrest and violent demonstrations, in some locations may pose significant security risks to UNHCR staff.</p> <p>A (iii) During field missions to dangerous areas, UNHCR staff may face the threat of kidnapping and hostage taking, vehicle ambush or drive-by shooting.</p> <p>A (iv) Environmental hazards may expose UNHCR staff to health and safety risks.</p> <p>A (v) Staff residences may be subject to crime, including burglary and physical harm.</p> <p>A (vi) Inability to prosecute persons responsible for attacks on aid workers could create a situation of impunity which increases the risks for the safety of UNHCR staff.</p>	<p>Controls and risk mitigation activities to protect security of UNHCR staff and premises, depending on the location, include:</p> <p>UN Security management system in each country; assistance from government security forces; liaison with local law enforcement; MOSS/MORSS standards; security reporting; physical security of facilities incl. access controls; emergency communication equipment and procedures; movement control policies; armed escorts; staff training and security briefings; UN Field Security Handbook; warden systems; curfews; medical support; etc.</p>	Strategy	Likely	High	Higher Risk
	B (i) Inadequate security risk assessment may expose the Headquarters building in Geneva to terrorist attacks.	The UN system in Geneva has high level discussions with Swiss intelligence and security services providing early warning.	Governance	Remote	High	Moderate Risk

10	Focus Area: Safety and Security		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	F (i) Inadequate training of UNHCR staff on safety and security matters may result in poor security awareness and preparedness.	All staff are mandated to undertake training on Basic Security in the Field and Advanced Security in Field. In addition to the mandatory training, UNHCR field safety staff provided substantial security and awareness training in 2007. Over 4000 staff undertook a long range of field based training.	Human Resources	Remote	High	Moderate Risk
	E (i) Inadequate safety and security measures concerning the UNHCR premises in the field may result in compound attacks or criminally motivated occupations of UN compounds . E (ii) The high visibility of UNHCR property in some locations, especially cars and supplies, may pose safety risks to staff as well as financial losses due to theft.	UNHCR does not work in isolation, but is part of an overall security management structure in the field. Mitigating measures have been put in place to safeguard UNHCR property, such as secure parking, security guards, escorts, etc.	Operational	Possible	High	Higher Risk
	G (i) Inadequate attention may be paid to information and communication technology in the need to enhance staff safety, resulting in avoidable security incidences to UNHCR staff. G (i) Procurement of communication equipment being budget driven rather than security/operations driven may result in security deficiencies. G (iii) Lack of staff skills in using telecommunication equipment could result in communication problems during serious security incidences.	Communication equipment is covered under MOSS, which is based on the security risk assessment locally. All staff are trained in the use of communication equipment, and it is especially focused on for those who are deployed to emergency operations.	Information Resources	Remote	High	Moderate Risk

10	Focus Area: Safety and Security		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
VI	Safety of refugees		Possible	High	Higher Risk	
	<p>E (i) Inadequate UNHCR staffing resources, control mechanisms, and policies to protect refugees vulnerable to sexual and gender based violence could result in increased SGBV incidences.</p> <p>E (ii) Weak safety and security conditions in camps may result in serious security incidences and even loss of human lives.</p> <p>E (iii) Poor crowd control, for example as a result of groups of refugees displaying dissatisfaction over the assistance provided, resettlement decision or refugee status determination, may pose safety risks to other refugees.</p>	<p>UNHCR has guidelines for the prevention and response to sexual and gender-based violence (SGBV).</p> <p>Mitigating systems in place include, inter alia, camp warden systems, camp committees (including informal disciplinarian committees), police presence in strategic camp locations, meetings between refugees and UNHCR to prevent crowd incidents, training of camp population, etc</p>	Operational	Possible	High	Higher Risk
	A (i) Host governments may be reluctant to take on their responsibilities to protect the civilian character of refugee and IDP camps.	According to UNHCR, it has a well developed system of Government support, including training, policy development assistance, material support, and human resources support.	Strategy	Remote	High	Moderate Risk
VII	Crisis management			Remote	High	Moderate Risk
	A (i) UNHCR may not be adequately prepared in the event of the Avian Flu or other similar crisis.	In December 2005, UNHCR issued a IOM/FOM containing its Contingency Plan for Staff in the event of an Avian Influenza Pandemic in Humans. Further in 2007 a small team of staff was formed to follow-up on and coordinate issues relating to the Avian Flu at Headquarters and in the field.	Strategy	Remote	High	Moderate 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 are 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 carry out the Organization's operations..

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 are shown 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 operations, 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 (Focus Area)



