



INTERNAL AUDIT DIVISION
OFFICE OF INTERNAL OVERSIGHT SERVICES

RISK ASSESSMENT

**Economic and Social Commission for
Asia and the Pacific (ESCAP)**

**18 December 2007
Assignment No. [AA2007/240/01]**

United Nations  **Nations Unies**

INTEROFFICE MEMORANDUM

MEMORANDUM INTERIEUR

**INTERNAL AUDIT DIVISION · DIVISION DE L'AUDIT INTERNE
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TO: Ms. Noeleen Heyzer, Executive Secretary
A: Economic and Social Commission for Asia and the Pacific

DATE: 18 December 2007

REFERENCE: AUD-File no. (07- *00816*)

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



SUBJECT: Assignment No. AA2007/240/01 - ESCAP Risk Assessment

OBJET:

1. I am pleased to present OIOS' risk assessment of the UN Economic and Social Commission for Asia and the Pacific (ESCAP) which was carried out during September 2007, 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 ESCAP 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
Mr. Jonathan Childerley, Chief, Oversight Support Unit, Department of Management
Mr. Byung-Kun Min, Programme Officer, OIOS
Mr. Shigeru Mochida, Deputy Executive Secretary
Mr. Peter Van Laere, Director of Administrative Services Division

INTERNAL AUDIT DIVISION

FUNCTION

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

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PARTICIPANTS

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

Focus Area	Name and Functional Title
Strategic Management and Governance	<ul style="list-style-type: none">• Mr. Shigeru Mochida, Deputy Executive Secretary• Ms. San Yuenwah, Special Assistant to the Executive Secretary and Secretary to the Commission
Financial Management	<ul style="list-style-type: none">• Ms. Yuko Ikuta, Officer-in-Charge, Financial Services Section• Ms. Siriwan Hanchanchai, Accounting Assistant
Human Resource Management	<ul style="list-style-type: none">• Mr. Peter Frobel, Office-in-Charge, Human Resources Management Services• Mr. Eran Schweiger, Assistant Human Resources Officer• Mr. Yun-Hui Sheng, Human Resources Officer• Ms. Sylvia Raabe, Assistant Staff Development Officer
Procurement and Contract Administration Logistics Management Property and Facilities Management	<ul style="list-style-type: none">• Ms. Anne Matthews, Chief of Central Support Services• Mr. Paul Thompson, Chief of Facilities Management Unit• Ms. Chetna Lakhoo-Verbeek, Administrative Officer• Mr. Peter Van Laere, Director of Administrative Services Division
Information Technology Management	<ul style="list-style-type: none">• Ms. Thawadi Pachariyakun, Public Information Officer• Mr. Dinh-Huy Banh, Chief of Information Management, Communications & Technology Section
Programme and Project Management	<ul style="list-style-type: none">• Ms. Nanda Krairiksh, Director of Programme Management Division• Mr. Richard Kalina, Chief of Programme Planning, Budget and Evaluation Section• Mr. Rene Bastiaans, Chief of Technical Cooperation• Mr. Herve Berger, Head of ESCAP Pacific Operations Centre• Mr. Hirohito Toda, Economic Affairs Officer• Mr. Ravi Ratnayake, Director of Poverty and Development Division• Mr. Hiren Sarkar, Chief of Development Policy

Focus Area	Name and Functional Title
	<p>Section</p> <ul style="list-style-type: none"> • Ms. Shamika N. Sirimanne, Chief of Socio-Economic Analysis Section • Mr. Kioe Sheng Yap, Chief of Poverty Reduction Section • Mr. Ayul Hasan, Director of Least Developed Countries Division • Ms. Vanessa Steinmayer, Economic Affairs Officer • Mr. Marin Yari, Economic Affairs Officer • Mr. Raj Kumar, Principal Officer • Mr. Taco Bottema, Director of the Centre for Alleviation of Poverty Through Secondary Crops Development • Mr. Rae Kwan Chung, Director of Environment and Sustainable Development Division • Mr. Panesh Chandra Saha, Chief of Energy Resources Section • Mr. Masakazu Ichimura, Chief of Environment Section • Mr. Ti Le-Huu, Chief of Sustainable Development and Water Resources Section • Mr. Xuan Zengpei, Director of Trade and Investment Division • Ms. Tiziana Bonapace, Chief of Trade Policy Section • Mr. Noordin Azhari, Chief of Trade Efficiency and Facilitation Section • Mr. Marinus Sikkel, Chief of Investement and Enterprise Development Section • Ms. Andrea Spear, Regional Advisor for Trade and Investment Policy • Mr. Joong-Wan Cho, Senior Economic Affairs Office and Officer-in-Charge of the Asia and Pacific Centre for Agriculture Engineering and Machinery • Mr. Barry Cable, Director of Transport and Tourism Division • Mr. J. R. Moon, Chief of Transport Policy and Tourism Section • Mr. Dong-Woo Ha, Chief of Transport Infrastructure • Mr. Pietro Gennari, Director of Statistics Division • Ms. Haishan Fu, Chief of Statistics Development Section • Mr. Ilpo Survo, Chief of Statistical Information

Focus Area	Name and Functional Title
	<p>Services Section</p> <ul style="list-style-type: none"> • Ms. Chultemjamts Davaasuren, Director of the Statistical Institute for Asia and the Pacific • Mr. Shuichi Watanabe, Deputy Director of the Statistical Institute for Asia and the Pacific • Mr. A. P. Gamini S. De Silva, Lecturer/Statistician • Mr. Siva Thampi, Director of Information Communication and Space Technology Division • Ms. Ja-Kyung Yoo, Chief of ICT Application Section • Mr. Daewon Choi, Chief of ICT Policy Section • Mr. Wu Guoxiang, Chief of Space Technology Application Section • Mr. K. Ramanathan, Senior Economic Affairs Officer • Ms. Hyeunsuk Rhee, Director of Asia and Pacific Training for Information and Communication Technology for Development • Ms. Thelma Kay, Director of Emerging Social Issues Division • Ms. Keiko Osaki, Chief of Population and Social Integration Section • Mr. G.M. Fedorov, Chief of Health and Development Section • Ms. Vanessa Griffen, Chief of Gender and Development Section
Conference and Documents Management	<ul style="list-style-type: none"> • Mr. Christian de Sutters, Chief of Conference Services Section • Mr. Yan Yafei, Chief of Conference Management Unit • Ms. Evelyn Domingo-Barker, Chief of Library
Safety and Security	<ul style="list-style-type: none"> • Mr. Russel Radford, Chief of Security • Mr. Gert Kuelder, Deputy Chief of Security • Ms. Julie Hilton, Administrative Officer

SUMMARY OF RISK RATINGS

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

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

Risk Assessment of : ESCAP

No	Focus Area: Interview/Review Summary (Description of risk)	Risk Category	Likeli-hood	Likely	High	Higher Risk
I	<p>Strategic Direction</p> <p>A(i). If the High Level Panel report is adopted by the GA, the work of the Commission could change drastically, where the Commission will be expected to focus more on normative and analytical work and less on operational work (technical assistance), for which the commission is not adequately prepared. The implementation of the operational work would be done by UNDP which has a country presence in the member countries.</p> <p>A(ii). ESCAP may not have a true representation of all countries in the Region. Geographical distance of some countries e.g. the Pacific Islands may not allow representation, resulting in these countries' needs not being adequately heard or met.</p> <p>A(iii). The work of ESCAP may not be in line with the needs of the member states, resulting in ESCAP losing its relevance to the region.</p> <p>A(iv). Political unrest may arise as a result of the location of the ESCAP headquarters, resulting in disruption to its operations. e.g. in the event of a coup.</p> <p>A(v). ESCAP may not be serving the practical needs of its member states, which would damage ESCAP's reputation.</p> <p>A(vi). ESCAP may not be seen as the catalyst for economic and social change in the region which may</p>	<p>ESCAP has already begun to redirect the focus of the Commission. The number of operational activities has decreased over the past years from over 300 projects to 80-100 projects.</p> <p>The 5 Executive Secretaries of the Commissions have started a campaign to brief the Secretary General on work of the Commissions.</p> <p>ESCAP is working through collegial partnerships with other agencies. Five regional working groups have been developed in the following areas: education, gender equality, international migration, poverty reduction, and information and communications technology. In addition, ESCAP officers have daily contact with their counterparts from various organizations. ESCAP is also part of the UN country team meeting, as well as the meeting of agencies with regional mandates.</p> <p>ESCAP's work is different from other agencies, e.g. UNEP, as it is more normative in nature.</p> <p>An advisory committee made up of delegates from member states meets monthly and provides feedback to the Commission.</p>	Likely	High	High	Higher Risk

1	Focus Area: Interview/Review Summary (Description of risk)	Strategic Management and Governance OIOS Assessment	Likely	High	Higher Risk
No		Risk Category	Likeli-hood	Impact	Overall Risk
	<p>result in ESCAP losing its relevance within the region.</p> <p>A(vii). Coordination with other UN agencies may not be adequate, which would result in possible duplicative or gaps in programs of work.</p> <p>A(viii). Global decisions may not address or be suitable for regional problems and issues making ESCAP's work, if based on these global decisions, irrelevant to the region.</p> <p>A(ix). Absence of a mandate given to ESCAP to act as the coordinator of the work of the different agencies, may result in the absence of a coordinated effort among the different agencies and, consequently, result in gaps and duplication of effort and resources.</p>	<p>with regards to member state needs.</p> <p>ESCAP Pacific Operations Centre (EPOC), located in the Pacific Islands, covers an entire sub region. This is a practical way to ensure representation of all member states. The advisory committee has representation from persons in these countries.</p> <p>ESCAP has a partnership to work with the different themes among the agencies.</p>			
	<p>B(i). The move of the Commission to more normative and analytical work may require a change in the organizational structure of ESCAP so as to enable it to meet its new demands.</p> <p>B(ii). The ESCAP leadership may not be able to provide adequate guidance and direction as they are not familiar with the organizations concerted efforts in its operations, for example in fund raising, resulting in inadequate strategic advice and direction to the organization.</p>	<p>A Change Management review was conducted by ESCAP management in October 2006.</p> <p>The Programme Management Division is responsible for monitoring management indicators that may hinder performance and taking remedial corrective actions.</p>	Governance	Likely	High Higher Risk

1	Focus Area: Strategic Management and Governance	Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	Risk Category	Likeli-hood	Impact	Overall Risk
	D(i). Fundraising is not adequate, which would lead to a decrease in programs, outputs, and results, thereby reducing the impact of ESCAP in the region. D(ii). The uncertainty of donors from year to year may result in a reduction in extra budgetary funding which may not be sufficient to meet the needs of ESCAP.	The Programme Management Division has a strategy for fundraising activities. The budget is thought to be sufficient. Even though funding from one major donor has decreased over several years, funding from the other member countries has increased to compensate for the decrease.	Financial	Likely	Medium
	E(i). Health epidemics would create new issues that ESCAP may not be able to address in its contingency plan (for example bird flu). E(ii). The Commission may not select the correct projects to work on, that will be the most beneficial and relevant to the region and member state needs.	Ad hoc fund raising from outside the region through Sweden, Netherlands and EU, however no structure for accessing funds are in place. To deal with the bird flu epidemic, a panel has been created with experts from various agencies to advise on solving current problems. Also, a contingency plan has been put in place. Internal evaluation of project proposals is in place to look at different issues, for example sustainability, gender equality, relevant partners etc.	Operational	Likely	High
	G(i). Lack of access to proper, adequate or correct information/ data may result in the inability to make appropriate decisions and provide adequate policy advice to its member states. F(i). The High Level Panel recommendation to shift to normative and analytical work may require a change in staff skill set, as the organization is required to build its research capacity, or a reduction in post based on the organization requirement to move from technical assistance and other operational work.	ACPR provides feedback from member states delegates. Internal reports and mission trip reports are also provided, however no proper mechanism to ensure management have the proper information is in place. An Internal review was conducted to assess the shift to normative work. The work of this review is still to be implemented.	Information Resources	Possible	High
			Human Resources	Likely	High

Focus Area:		Strategic Management and Governance			Higher Risk		
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likely	High	Higher Risk	
II Coordination of Management Activities				Likeli-hood	Impact	Overall Risk	
	G(i). If factual inaccuracies in reports, documents and news releases go out to the wider public as represented by ESCAP, ESCAP may lose credibility.	Division directors are responsible for ensuring substantive information represented by ESCAP is correct and of high quality.	Information Resources	Possible	Medium	Moderate Risk	
	A(i). Poor quality of work presented to external agencies, resulting from factual inaccuracies or lack of editorial quality review, may risk ESCAP losing credibility. A(ii). While the mandates of the Regional Commissions are the same, the nature, scope and associated resource requirements for Programme Support Services vary for each of the Regional Commissions depending on the location (duty station) of the Commissions. Headquarters may not take this into consideration and may generalize resource requirements.	Division directors are responsible for ensuring substantive information represented by ESCAP is correct and of high quality.	Operational	Possible	High	Higher Risk	
	F(i). Lack of employee trust in the internal justice system may result in employee abuse not being reported and so may not deter future preventable events from occurring. F(ii). A lack of an internal justice system where reported abuses are not adequately addressed, may affect employee morale, which could result in the loss of talented individuals. F(iii). The provision of common services to other UN agencies may result in a shift of ESCAP's human resources to service these increasing demands.	The internal justice system is the one that is used by the Secretariat. As part of the UN reform process the General Assembly is due to discuss a report on the review and reform of the Internal System for the Administration of Justice. At present, the system is ineffective in addressing internal issues. Common services agreed upon by Heads of Agencies of the UN System present in Thailand are ongoing, and ESCAP is part of this wider initiative.	Human Resources	Possible	Low	Lower Risk	

1		Focus Area: Interview/Review Summary (Description of risk)		Strategic Management and Governance		Likely	High	Higher Risk
No		OIOS Assessment		Risk Category	Likeli-hood	Impact	Overall Risk	
	B(i). Lack of employee trust in the internal justice system may result in a lack of trust of management.	The internal justice system is the one that is used by the Secretariat. As part of the UN reform process the General Assembly is due to discuss a report on the review and reform of the Internal System for the Administration of Justice. At present, the system is ineffective in addressing internal issues.	Governance	Possible	Medium	Moderate Risk		
	B(ii). The need for common services provided by ESCAP to other UN Agencies may increase, requiring ESCAP to change the Administrative Services Division structure to accommodate these changes and increased workload.	Common services agreed upon by Heads of Agencies of the UN System present in Thailand are ongoing, and ESCAP is part of this wider initiative.		Possible	High	Higher Risk		
III	Control Environment	Every month, the ACPR, an advisory committee made up of delegates from member states, meets and provides feedback and views on decisions. ESCAP engages consultants to perform evaluation functions and is creating guidelines to provide for systematic monitoring and evaluation.	Operational	Possible	High	Higher Risk		
	E(i). ESCAP not being able to give good sound policy advice to member countries, may result in decisions that may have a negative effect on member countries and lack of interest by member countries.							
	E(ii). Internal evaluations are not performed timely and adequately, which could result in leadership's inability to make timely decisions and consequently result in inefficient and ineffective programs.							
	C(i). Monitoring of projects and programmes may be insufficient, resulting in ESCAP not complying with donor requirements and not be taken seriously by donors when other requests are made by them.	The Programme Management Division has responsibility for monitoring programs.	Compliance	Possible	Medium	Moderate Risk		
	B(i). Lack of a risk management process may hinder ESCAP from adequately prepare actions to respond to risks.	ESCAP had an external evaluation conducted on its operations and in Oct 2006 also conducted an internal change management team review. There is however no formal risk management process.	Governance	Likely	High	Higher Risk		

Risk Assessment of : ESCAP

No	Interview/Review Summary (Description of risk)	Focus Area:	Financial Management	OIQS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk	Possible	Medium	Moderate Risk
I	Accounting Systems			Example of this was with the training for Webfocus that was conducted in June 2006 in New York Headquarters.		Information Resources				Moderate Risk	
	G(i). Training conducted too early to the actual implementation of the web-based reporting tool, may result in delays when implementation actually takes place, as individuals may have lost the knowledge learnt.	The implementation of IPSAS is being coordinated through New York Headquarters; ESCAP receives periodic updates on the IPSAS project.		ESCAP receives periodic updates on the ERP project and ESCAP representatives actively participate in the preparatory process such as identifying the requirements for ERP in the various functional areas.							
	G(ii). Untimely receiving of periodic information on IPSAS from HQ, may result in ESCAP not being aware of possible issues or concerns in implementing the new standards, which may cause delays when the implementation takes place.	A pilot test was done on the travel claim portal where insufficient feedback from NY was received on the results of the testing.		Back up is conducted by the Information Management and Communications Technology Section (IMCTS), however, uncertainty exist in the process by both the Finance Department and IMCTS.						Moderate Risk	
II	Payments	G(iii). A feeling of uncertainty about what is happening with regards to ERP in the various functional areas of finance may exist among ESCAP' finance staff.		G(iv). Lack of feedback on pilot tests undertaken by NY, may result in staff questioning the effectiveness of the test.		G(v). Insufficient knowledge on the process of backing up of the financial data records, may result in lost data and uncertainty by the unit as to how to proceed in the event that the system crashes.		ESCAP follows the UN requirement of paying within 30 days, but this does not necessarily happen.		Moderate Risk	
	D(i). Delays in payment to vendors outside of the negotiated credit period may result in late fees been imposed by the vendor, resulting in an additional financial burden to ESCAP.	ESCAP follows the UN requirement of paying within 30 days, but this does not necessarily happen.		Financial		Remote		Medium		Lower Risk	

2	Focus Area:	Financial Management	Possible	Medium	Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
	E(i). ESCAP policies and procedures may be seen as costly, tedious, and burdensome resulting in inefficiencies and ineffectiveness, which will slow down the payment process and result in delays and increased cost to ESCAP.	ESCAP follows the policies and practices of the UN Financial Regulations, however may have implemented additional internal ESCAP controls.	Operational	Possible	Medium	Moderate Risk
III	Donor Funding B(i). Funds may be earmarked by donors for XB funding of projects to be undertaken by ESCAP, however, these funds can be channelled through 3rd parties external to ESCAP and not be channelled through ESCAP's accounting system, resulting in loss of accountability to the donor or possible operating outside of the UN financial regulations.	ESCAP has a mechanism in place to track donor funding, but because of the bureaucracy involved, staff may make alternative arrangements. Bank reconciliations are done by each unit, bank accounts are opened by NY HQ and all funds are received in ESCAP bank account, except for India funding.	Governance	Likely	High	Higher Risk
IV	Budgeting F(i). The ESCAP budget constraints may lead to inefficient and ineffective use of resources as the process is repetitive.	The ESCAP budget submission must first be justified to ESCAP senior management and then to HQ. Often times the same questions are asked during each review.	Human Resources	Likely	Medium	Higher Risk
	B(ii). The rigid time lines specified in the UN programme planning procedures, where the budget and work programme are prepared up to 4 years before implementation, may result in ESCAP not being able to respond if needs and priorities change.	Programme managers may make work programme very general so as to be able to accommodate changes. Contingency arrangements may be built into the budget.	Governance	Likely	Low	Moderate Risk
	B(iii). The preparation and monitoring of the budget, in addition to the approval of ESCAP' expenditures, being held by one department, may result in a conflict of interest, inadequate segregation of duties to promote proper internal control practices and may result in administrative problems in efficiently administering the function.					Higher Risk

2		Focus Area: Financial Management	Possible	Medium	Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
	D(i). Resource pooling may result in a burdensome amount of paperwork required for justification, which may detract from other necessary work. D(ii). Pooling of budget resources each quarter may hinder ESCAP from implementing certain types of projects that fall outside of the timelines budgeted e.g. where most of the expenditure is within one quarter rather than spread throughout the quarters.	Resource pooling is implemented by the Program Management Division as a means to review current budget allocations.	Financial	Possible	Medium	Moderate Risk

Risk Assessment of : ESCAP

No	Focus Area:	Human Resource Management	Likely	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
I	Training Activities F(i). Managers' lack of managerial and leadership skills, as well as lack of highly technically competent staff, may hinder the work of the divisions. F(ii). Inadequate attendance to training, conference and workshops, so as to enable staff to have access to specialized training and to remain on top of the respective areas of expertise, may result in ESCAP work and advice becoming obsolete.	The Human Resource Unit has developed training programs to address management skill issues. ESCAP follows the UN administrative policies.	Human Resources	Likely	High	Higher Risk
II	Staffing Activities E(i). Knowledge gaps may arise as a result of staff leaving and no overlap in dates occurring between the period of work of the old and new staff member. E(ii). UN and ESCAP' policies and procedures may be seen as costly, tedious, and burdensome resulting in inefficiencies and ineffectiveness. E(iii). Absence of a HR strategic plan which includes a staff development plan with performance measurements policies and guidelines, may result in staff/ managers not being held accountable for their performance.	ESCAP follows the policies and practices of the UN Human Resources Handbook, however may have implemented additional internal ESCAP controls. The cost may prevent the old and new staff working briefly together. Work is being conducted with OHRM to develop adequate HR plans.	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	Governance	Possible	Impact	Likeli-hood	Overall Risk	Higher Risk
	<p>B(i). The strong hierarchical organizational structure may cause inefficiencies and ineffectiveness as it may take longer to get things done.</p> <p>B(ii). Development of generic goals and programmes by the Divisional Directors may result in loss of effectiveness in the delivery of the substantive programs.</p> <p>B(iii). The HR Division has limited delegation of authority which may result in inefficiencies in undertaking their functions.</p> <p>B(iv). Inadequate management and leadership by ESCAP senior management may result in poor strategic planning in the organization.</p> <p>B(v). The absence and difficulty in measuring accountability of managers, may result in managers not being held accountable for their actions.</p>	<p>As per ESCAP organizational structure 15 Divisional managers report directly to the Executive Secretary.</p> <p>While ESCAP is far from presenting a full-scale strategic succession plan, there are elements of succession planning in place. For example, ESCAP has identified future open vacancies due to retirement in the next five years.</p> <p>ESCAP's Human Resources Management Section takes an active role in the process, working with managers from the outset in assisting them in determining their needs, producing the appropriate vacancy announcement, strategically targeting their search, analyzing the candidates pool, and guiding the manager through the selection and recruitment process.</p> <p>Some ESCAP managers are more managerial oriented than technical.</p> <p>The performance appraisal process (E-PAS) is based on accountability. Managers and staff, are accountable to their reporting officers for successfully completing their agreed-upon goals.</p>							

3	Focus Area: Interview/Review Summary (Description of risk)	Human Resource Management	Likely	High	Higher Risk	
No		OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
	<p>F(i). Health epidemics such as avian flu could affect staff if an outbreak takes place.</p> <p>F(ii). The shift to normative work could create a deficiency in the skills of the employees versus the skills now required by ESCAP if not addressed.</p> <p>F(iii). The difficulty in filling language posts may impact the services provided by the conference services section.</p> <p>F(iv). Staff movement to other missions may result in institutional loss of knowledge.</p> <p>F(v). The limited scope for staff movement or promotion as a result of senior staff being in positions for extended periods of time, may result in the lack of mobility for staff and may result in low employee morale, as there is little room for staff movement or promotion.</p>	<p>To deal with the bird flu epidemic, a panel has been created with experts from various agencies to advise on solving current problems. A contingency plan has been put in place.</p> <p>Skill sets required for the different roles in the possible new role of ESCAP have not been defined. With the arrival of the new Executive Secretary, the "new role" of ESCAP will be defined, which will enable ESCAP to decide on such skill sets.</p> <p>ESCAP is implementing the UN mobility program initiated in NY, which requires movement of UN staff.</p> <p>ESCAP lose younger work force frequently as they move to higher positions in other organizations.</p>	Human Resources	Possible	High	Higher Risk
	<p>A(i). Lack of strategic HR planning, involving succession planning and staff relation issues, may result in the organization losing its focus. More time is spent on fire fighting and on administrative issues than on substantive work.</p> <p>G(i). Inadequate Human Resources IT systems, that can assist in management reporting and so allow management to be proactive in decision making, may result in the operational inefficiency.</p>	<p>The human resources unit is making a concerted effort to be more strategic. For example, it has identified future open vacancies due to retirement in the next five years.</p> <p>An automated system is being considered to allow staff self service.</p>	Strategy	Possible	High	Higher Risk
		Information Resources	Likely	Low	Moderate Risk	

3		Focus Area: Human Resource Management		Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
III	Evaluation Activities F(i). The lack of administrative rights for certain functions in the PAS, may cause additional work resulting in inefficient use of human resources. F(ii). Division directors and managers having the 1st and 2nd reporting officers function resting in the same manager, may result in absence of validation of performance rates given, in cases of disputes in the rates. F(iii). Receiving continuous overly conservative ratings on PAS, may cause poor employee morale.	ESCAP does not have a mechanism to delegate authority to lower level managers in PAS. The organizational structure at present results in the 1st and 2nd reporting officer in some instances being the same person.	Human Resources	Possible	Medium	Moderate Risk
IV	Recruitment E(i). Limited involvement of the HR Division in the recruitment process may result in ESCAP operating outside of the UN guidelines (geographical distribution, gender issue etc.). E(ii). The long delays encountered in recruiting staff (272 days average in 2006), may result in positions not being filled for extended periods of time. E(iii). Lack of adequate succession planning may result in high vacancies over the next 5 years as approximately 100 staff members may be up for retirement. E(iv). Political influence may be used so as to influence staff appointments. E(v). Not obtaining staff rosters in a timely manner e.g. NCE candidates listing, may cause ESCAP to lose on recruiting qualified candidates.	Guided by UN policies which are Secretariat wide and are being addressed at that level. The organization is very conservative as culture is risk averse. HR has limited influence as recruitment done by division managers, with the Executive Secretary making the final decision on all recruitment. NCE roaster is outdated and may contain irrelevant data.	Operational	Likely	High	Higher Risk

Risk Assessment of : ESCAP

4		Focus Area:	Procurement and Contract Administration		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk	Moderate Risk
I	Procurement Management	ESCAP abides by the UN policies and procedures regarding procurements, including the policy on getting approval for procurements over \$200,000.	Operational	Possible	Medium	Moderate Risk	
	E(i). The amount of time it requires to obtain approval from headquarters on procurements over \$200,000, may result in ESCAP not procuring items within sufficient time to meet the needs of the organization.	ESCAP has established a Local Contracts Committee (LCC), which is required to be in place, in accordance with the delegation of authority for procurement in ESCAP. The LCC reviews cases that involve purchases / services or contracts that are valued over \$75,000. For procurement transactions between \$1 - \$75,000, designated officials in ESCAP have the necessary delegation of authority to review and approve these contracts.					
	E(ii). Efforts may be wasted if processes are duplicated through committees operating both in ESCAP and in headquarters.						
	E(iii). UN and ESCAP' policies and procedures may be seen as costly, tedious, and burdensome, resulting in inefficiencies and ineffectiveness.						
	F(i). The low-grading of certain positions (chief of security and procurement chief), may increase the possibility of ESCAP recruiting less experienced staff for the positions.	Recognizing the need to strengthen Procurement, ESCAP initially proposed reclassification of the Chief of Procurement Post to a higher level for the 2008-2009 budget. Following internal consultations, agreement was reached to not pursue reclassification, but instead to undertake an internal redeployment of posts.	Human Resources	Possible	Medium	Moderate Risk	

4		Focus Area: Procurement and Contract Administration				Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk		
	C(i). Lack of adequate policies and procedures and adequate internal controls may result in fraud and irregularities in the procurement process.	ESCAP as part of the UN Secretariat follows the same policies, procedures applicable to the UN Secretariat, and internal controls are similar to those in place elsewhere. ESCAP has established a Local Contracts Committee (LCC), which is required to be in place, in accordance with the delegation of authority for procurement in ESCAP. The LCC reviews cases that involve purchases / services or contracts that are valued over \$75,000. For procurement transactions between \$1 - \$75,000, designated officials in ESCAP have the necessary delegation of authority to review and approve these contracts.	Compliance	Possible	Medium	Moderate Risk		
II	Procurement Systems	ESCAP does not have a cost accounting mechanism which would fully reflect the cost of services provided.	Financial	Possible	Low	Lower Risk		
	D(i): The lack of a cost accounting system to better manage common services provided by ESCAP, may result in ESCAP not knowing the true cost of the services provided.	ESCAP is required to follow UN policies and procedures with regard to software implementation.	Information Resources	Possible	Medium	Moderate Risk		
	G(i). Implementing off-the-shelf software packages for procurement may create difficulties in adapting ESCAP systems and procedures to the software.	ESCAP is required to follow UN Procurement Manual policies and procedures.	Compliance	Possible	Medium	Moderate Risk		
	E(i). A lack of a corporate procurement application, may result in ESCAP not following the standard UN policies.							

Risk Assessment of: ESCAP

No	Focus Area:	Information Technology Management	Possible	Medium	Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
I	Implementation of Systems and Development	A new section chief recently joined ESCAP and has ideas for improving the efficiency and effectiveness of IMCTS.	Operational	Possible	Medium	Moderate Risk
II	IT Services and System management	D(i). Limited funding may result in new initiatives such as a new platform and network upgrades not being implemented. F(i). The lack of knowledge in using the new platform, could result in staff not being able to undertake their duties. E(i). The slowness in the network, may affect the timely conducting of research and other staff activities.	Financial IMCTS will provide appropriate training when the platform is further developed.	Possible Human Resources	High Possible	Higher Risk Moderate Risk

6		Focus Area:		Information Technology Management			
No	Interview/Review Summary (Description of risk)	OIOS Assessment		Risk Category	Possible	Medium	Moderate Risk
		Likeli-hood	Impact	Overall Risk			
	G(i). Staff having administrative rights to shared drives, may result in staff making unauthorized changes and could result in the loss of data. G(ii). Unauthorized access to applications and data could lead to accessing sensitive information by unauthorized persons. Example in the event of external parties hacking into the system, if this information is misused, it could result in a negative reputation of ESCAP, additionally viruses can be introduced to the system resulting in corrupt data which will disrupt ESCAP's work.	IMCTS identified the improper delegation of administrative rights to people in the substantive division. It is in the process of correcting the problem.	Information Resources	Possible	High	Higher Risk	
III	United Nations Information Services (UNIS)	Divisions are responsible for ensuring the content of the web pages is timely and relevant as well as grammatically correct.	Information Resources	Possible	Medium	Moderate Risk	
	G(i) The inability to automatically update the web pages, may result in the slowness in updating, the activity being more time consuming and the web pages may be outdated. G(ii). Absence of an organizational editing policy and procedure, may result in website information having grammatical errors. G(iii). ESCAP may be represented unfairly in published articles based on interviews with journalists, which could result in people having an incorrect image of ESCAP.	In addition to following the UN policy for speaking to media, ESCAP has a mechanism in place to accredit journalists. Only these accredited journalists are allowed to interview ESCAP staff.	Information Resources	Possible	Medium	Moderate Risk	
	B(i). Absence of a system to check on reported information on ESCAP in the media or not clarifying misreported information, may result in people having a poor impression of ESCAP.	ESCAP tries to clarify any misreported information. UNIS department tracks and verifies information published in the media.	Governance	Possible	Medium	Moderate Risk	

6		Focus Area:	Information Technology Management			Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	QIOS Assessment	Risk Category	Likeli-hood	Impact	Overall	Risk	
	F(i). The UN mobility program may create inefficiencies and ineffectiveness, as new staff must be trained and there is a loss of institutional knowledge when they move.	This being a UN-directed mobility program, ESCAP does not have a mechanism to use temporary staff for continuation purposes.	Human Resources	Possible	Medium	Moderate Risk		
	E(i). The lack of a structure to share information among divisions, may lead to inefficiencies and ineffectiveness.	Representatives from various divisions are included in the quality assurance team for project review. This allows for some information to be disseminated among divisions.	Operational	Likely	High	Higher Risk		
IV	Security of IT	Management were not aware of the existence of a back up procedures. IMCTS manager was however new to the organization and may not be up to date with all aspects of the organizations operations.	Information Resources	Possible	High	Higher Risk		
	G(i). Lack of knowledge of the back up procedures by members of staff may result in uncertainty as to the procedure to follow in the event of any system failures.	G(ii). Lack of a disaster recovery plan or the existence of one for ESCAP, may result in unpreparedness if a disaster occurs.		Possible	High	Higher Risk		
	G(iii). Lack of disaster recovery equipment or the existence of a business continuity site for ESCAP, may result in unpreparedness if a disaster occurs.							

Focus Area:	Programme and Project Management	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
Interview/Review Summary (Description of risk)				Possible	High	Higher Risk
Programme and Project Monitoring	<p>E(i). Monitoring and evaluation may not be sufficient, which could lead to inefficient and ineffective programs.</p> <p>E(ii). The regular budget and the extra budgetary funding may not be applied most effectively to allow ESCAP to achieve maximum results.</p> <p>E(iii). A project approach of operating may result in less efficient and less effective use of resources.</p> <p>E(iv). ESCAP resources may not be used effectively due to the excessive number of individual donor reports requested.</p> <p>E(v). The high-level hierarchy of objectives provided by New York, may impact on results not being properly measured, as they may not measure basic results.</p> <p>E(vi). Earmarked funding that are specified by the donor, may hamper ESCAP from performing activities related to high-priority areas that do not have access to similar funding.</p> <p>E(vii). In order to deliver on programmes, programme managers may focus too much on fundraising but not enough on current program implementation, which could result in ineffective programmes.</p> <p>E(viii). Programme managers may accept projects they cannot realistically implement given current workload.</p>	<p>OIOS recommended in a previous audit that monitoring and evaluation should be done more systematically.</p> <p>The Programme Management Division is trying to merge the regular and the extra budgetary funding into a programmatic framework. They are evaluating the relationship and timing between the two.</p> <p>Consultation on projects is done with management.</p> <p>ESCAP is awaiting guidance from headquarters regarding reporting regulations.</p> <p>Funding is sufficient to cover the current priority areas.</p> <p>Projects must go through an approval process before acceptance is given. A Quality Assurance Team first reviews the projects, and then the Project Acceptance Committee makes the final determination.</p>	Operational	Possible	High	Higher Risk

Focus Area:		Programme and Project Management			Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk	
7	which would result in the division not meeting deliverables or poor quality of work. E(ix). Numerous different reporting requirements of the different donors, as against ESCAP's requirements or the Controller's requirements, may result in the need for numerous different report formats, which can be tedious and time consuming. E(x). Recommendations from evaluation exercises identifying problems in operating divisions, may not be implemented, which could result in the problem areas continuing to exist. E(xi). Highly generalized management skill set of division directors, may result in divisions not being able to adequately meet their goals and objectives, as they may not have sufficient technical knowledge in the required area to adequately guide staff. E(xii). Institutional knowledge and technical expertise may be lost due to mobility requirements of the UN.	In the past, monitoring was not performed to determine if ESCAP implemented recommendations. Now, an evaluation is done which includes management response and a road map to implement the change. This is posted on the internet, which leads ESCAP to be accountable to the member states.	Operational				

Focus Area:		Programme and Project Management			Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk	
7	<p>B(i). Results-based budgeting may not be properly done due to inadequate guidance from New York (lack of a corporate plan).</p> <p>B(ii). ESCAP employees slowness or inability to adapt to change, may result in member states having a poor view of ESCAP.</p> <p>B(iii). Political issues may prohibit ESCAP from making needed reforms/changes to the organization resulting in ESCAP being unable to close some projects that are no longer relevant.</p> <p>B(iv). Lack of flexibility in UN programme planning procedure (work programme prepared 4 years before programme implementation), may not allow formalizing structural and programmatic changes introduced by the Division to keep pace with social development changes.</p> <p>B(v). Lack of understanding of risk by program managers, could lead to risks not being properly addressed.</p>	<p>Departments are to ensure accountability of programme managers that they take evaluations seriously.</p> <p>ESCAP is working with the Controller regarding possible reprogramming needed in 2009.</p> <p>ESCAP obtained OIOS materials for guidance on business risks and internal controls.</p>	Governance	Possible	High	Higher Risk	

7	Focus Area: Interview/Review Summary (Description of risk)	Programme and Project Management		
No		OIOS Assessment	Risk Category	Possible Likeli-hood Impact
	<p>A(i). The large volume of operational work instead of the normative and analytical work, may prevent ESCAP from fulfilling its mandate.</p> <p>A(ii). Programme managers may accept projects that do not fit within the mandate of ESCAP.</p> <p>A(iii). Inadequate researchers to conduct analytical and research work, may prevent ESCAP from fulfilling the core mandate of the organization.</p> <p>A(iv). Inadequate communication with other UN agencies of its work may result in a duplication of efforts and loss of synergies.</p> <p>D(i). Fundraising not done with a program approach, may result in inefficient fundraising methods.</p> <p>D(ii). Lack of a well circulated and understood fundraising strategy with policy and procedures for how fundraising is to be conducted, may lead to lack of transparency, divisions operating on their own behalf or projects going unfunded as adequate request have not been made to donors.</p> <p>D(iii). Programme Support Costs deducted from donor funds for ESCAP's administrative purposes, may seem excessive to donors, especially if costs are not explained or the process is not transparent to all involved.</p>	<p>Projects must go through an approval process before acceptance is given. A Quality Assurance Team first reviews the projects, and then the Project Acceptance Committee makes the final determination.</p> <p>Current ESCAP management recognizes the need for communication and collaboration with other organizations.</p>	<p>Strategy</p>	<p>Possible</p> <p>High</p>

Focus Area:		Programme and Project Management			Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIQS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk	
	C(i). Not meeting delivery requirements for some programmes, could result in donors regarding ESCAP programmes negatively. C(ii). In an effort to reduce paperwork, insufficient documentation may be retained, which could result in a loss of paper trail and lack of assurance that policies and procedures were properly followed.	The Programme Management Division is trying to get divisions to focus on current programs as against beginning new projects.	Compliance	Likely	High	Higher Risk	
7	F(i). Recruitment of qualified people to meet the needs of the organization, may not be sufficient, which may lead to ESCAP not meeting its goals. Operational managers may recruit operational staff, rather than analytical staff to conduct research and normative work. F(ii). Staff resources spent on monitoring the regular budget may be inefficient, which may result in other duties not being performed. F(iii). Frequent ad hoc requests may lead to compromising of deliverables, in them not being met or poor quality of work, as inadequate human resources is available in the Programme Management Division. F(iv). The mobility requirements of the UN, may result in staff not feeling their contributions are valuable and employee morale may become low.	The Programme Management Division has rejected certain ad hoc requests due to lack of staffing resources. In addition, the division tries to prioritize tasks, as well as delegate when possible. The internal change management team should have adopted new changes in April 2007, but will wait on new director to implement. The mobility requirement is a result of the UN-directed mobility program. ESCAP is implementing the program in accordance with UN regulations.	Human Resources	Possible	High	Higher Risk	

7		Focus Area: Programme and Project Management				Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment		Risk Category	Likeli-hood	Impact	Overall Risk	
	<p>G(i). Information from IMIS is not obtained in a timely manner, which may lead to decisions being made without all the necessary information.</p> <p>G(ii). Information from IMIS may not be sufficient, as it is not customizable to meet ESCAP's needs.</p> <p>G(iii). IMIS may not be able to adequately provide ESCAP with different reporting needs.</p> <p>G(iv). Lack of access to IMIS at the sub-regional offices, may result in delays in reporting of these offices.</p>			Information Resources	Likely	Medium	Higher Risk	
II	<p>Poverty and Development Activities</p> <p>A(i). Governments may not be used to the work of the division as they see it as not being relevant to them, as it does not address their individual situations.</p> <p>A(ii). Poverty and development activities may not focus on areas of concerns for the member states, which would lead to the division being marginalized.</p> <p>A(iii). Donor-driven requests may have different priorities than those of ESCAP, which would lead ESCAP away from its mandate if they agree to the request.</p> <p>A(iv). Political situations within the region such as economic down-turn, could prevent the division from delivering the intended outputs.</p> <p>A(v). Inability to keep abreast with emerging issues in the world and the region, may result in ESCAP becoming irrelevant to member states.</p>	The Poverty and Development Division (PDD) receives feedback from member state committees, which discuss relevant areas of concerns. In addition, the staff have created their own networks to help identify issues and keep current in their fields of expertise.	Strategy	Possible	High	Higher Risk		

Focus Area:		Programme and Project Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
7	<p>D(i). Pooling of budget resources each quarter may hinder ESCAP from implementing certain types of projects that fall outside of the timelines budgeted e.g. where most of the expenditure is within one quarter rather than spread through out the quarters.</p> <p>D(ii). Lack of institutionalized fundraising creates ad hoc fundraising by each division, which may result in inefficient use of resources.</p> <p>D(iii). Funds not spent during the budget allotment year, may be lost even when the project implementation is incomplete. This could result in losing funds or funds could be spent on non project related activities.</p> <p>D(iv). Lack of policy for approval of expenditure may result in lengthy delays, different instructions being given, or no clear procedure and lack of transparency in the process.</p>	<p>Resource pooling is implemented as a means to review current budget allocations.</p> <p>Fundraising is centralized within the Program Management Division.</p> <p>Confusion exists in what are the procedures to follow in order to obtain approval of expenditure.</p>	Financial	Likely	Medium	Higher Risk

Focus Area:		Programme and Project Management			Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk	
7	<p>F(i). PDD may not maintain its unique social culture, where they can express their independent views on advising on poverty in the region.</p> <p>F(ii). The mobility requirements of the UN may result in a loss of qualified individuals to staff the division.</p> <p>F(iii). Inadequate professional development for staff of PDD through attending conferences, where they can network with like minded colleagues and academics, may result in underdevelopment of the professional staff, the inability to identify emerging issues and so may result in marginalizing the work of ESCAP.</p> <p>F(iv). Lack of career progression for staff members, especially young new recruits, may result in new professionals not staying with ESCAP, as they may perceive the organization as being difficult to obtain promotions, as well as a lack of staff development.</p> <p>F(v). The culture of the organisation may not be seen as analytical and normative, if developing and maintaining these skills are not encouraged through links with academia, technical resources and obtaining funding.</p>	<p>PDD has not accepted some work due to the lack of human resources. The division prioritizes the assignments and tasks in order to best use the resources available.</p> <p>Staff have created their own networks to help identify emerging issues.</p> <p>Some requests by staff to attend professional development events such as conferences and workshops have been denied.</p>	Human Resources	Possible	High	Higher Risk	

Focus Area: Interview/Review Summary (Description of risk)		Programme and Project Management			Possible	High	Higher Risk
No	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk		
7	<p>E(i). Lack of delegated authority regarding staff travel, may cause the division to be unable to attend important meetings or conferences, if deemed unnecessary by the authorizing division.</p> <p>E(ii). A linear approach to the budget could result in problems implementing projects, as it may not be applicable to all types of projects.</p> <p>E(iii). Millennium Development Goal statistics may not be accurate, which may result in management making decisions based on inaccurate information.</p> <p>E(iv). Some data needed for the MDG may not be available, as quality of data may be inadequate or unavailable.</p> <p>E(v). The planning cycle and donor cycle may not be the same, resulting in programmes that have longer than a 2 year cycle showing insignificant impact if evaluations are done within the 2 yr period, as required by the UN or donors.</p>	Operational	Possible	High	Higher Risk		

Focus Area: Interview/Review Summary (Description of risk)		Programme and Project Management		Possible	High	Higher Risk
No	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk	
	<p>B(i). Highly bureaucratic centralized practices may prevent the PDD from achieving its objectives e.g. policies on approval of spending for travel, etc.</p> <p>B(ii). The lack of clear policies and procedures that show transparency in decisions and processes may lead to poor staff morale.</p> <p>B(iii). Unclear division of duties for different departments indicating each role in the process, may lead to poor staff morale.</p> <p>B(iv). Lack of a programmatic longer-term approach, could lead to loss of impact on the part of ESCAP.</p>	Governance	Possible	High	Higher Risk	

Focus Area:		Programme and Project Management				Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment		Risk Category	Likeli-hood	Impact	Overall Risk	Moderate Risk
7	Environment and Sustainable Activities	<p>A(i). Possible donors and partners may not realize the environmental and sustainable development work of the commission, as the work done is not marketed or publicly known.</p> <p>A(ii). The division's counterparts in governments (environment ministries) do not understand the role of ESCAP to coordinate environmental and sustainable development activities, which could lead to missed project opportunities.</p> <p>A(iii). Lack of a systematic procedure to the regional work on environment and sustainable development, to coordinate with other agencies, may result in ESCAP losing its relevance in the region.</p> <p>A(iv). If the ability for ESCAP to stay on the cutting edge with research and new ideas on emerging issues is lost, ESCAP may lose its relevance.</p> <p>A(v). If ESCAP loses its unique feature to conduct studies to improve the quality of green growth and focuses only on normative and analytical approaches, it may lose its cutting edge, as there are many competitors in that area.</p>	<p>ESCAP gave a presentation to the embassies located in Bangkok, discussing the approach of the division in order to increase the awareness of the environmental work performed. In addition, ESCAP invites potential donors to meetings in order for them to become familiar with ESCAP's work.</p> <p>ESCAP tries to play a more creative role in getting member states involved and prepared for meetings.</p> <p>Commissions name (ESCAP), does not contain anything relating to environment, so need to explain to donors that ESCAP deals with environmental issues and is introducing green growth.</p> <p>Governments tend to think UNEP is the only window to work with the UN on environment and sustainable development issues. There is some room to improve coordination among different UN agencies.</p> <p>ESCAP, finance ministries and planning ministries on economic development are to integrate on sustainable development. Forum for discussions, fund raising, net working, meetings are initiated.</p>	Strategy	Possible	Medium	Moderate Risk	Moderate Risk

Focus Area: Interview/Review Summary (Description of risk)		Programme and Project Management			
No	OIOS Assessment	Risk Category	Likeli-hood	Possible High	High Risk
7	<p>A(vi). Absence of a strategy to engage the private sector, may result in missed opportunities not only for available funding, but also for integration of sustainability considerations in all aspects of the society.</p> <p>A(vii). Inadequate preparation for meetings and conferences by the member states, so as to enable them to give clear guidance as to what their needs are, and to enable them achieve full benefit from the meetings.</p>	<p>ESCAP is promoting sub-regional cooperation in North East and Central Asia on environmental and energy- and water-related issues.</p> <p>ESCAP stays on the cutting edge through research cooperation with Sweden, France and Germany as well as other governments.</p> <p>ESCAP recognises that on the policy on how to engage with the private sector, there is need for more work on this corporate policy at the level of UNESCAP as a whole, and even at the system wide level in the UN.</p>			

Focus Area:		Programme and Project Management			Higher Risk		
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Possible	High	Impact	Overall Risk
			Likeli-hood	Possible	High	Higher Risk	
7	<p>D(i). The heavy reliance on XB funding to sustain programmes of work, may result in ESCAP not being able to complete their work program if the funds are withdrawn.</p> <p>D(ii). The reliance on a few donors for extra budgetary funding creates a type of dependency which may affect ESCAP's independence.</p> <p>D(iii). The internal controls implemented may result in lengthy delays (2-3 weeks) in processing and receiving donors money, which may deter some donors from providing the funding.</p> <p>D(iv). The Programme Support Costs deducted from donations (13 percent), may deter some donors from providing funding.</p> <p>D(v). The regular budget may not be sufficient to support all of the capacity-building and technical cooperation requests by member states.</p> <p>D(vi). Programme Support Funds may not be used to provide support services to the appropriate division and issues regarding the use of these funds in providing support services to the division, may affect the division's programme of work and amount of funds received from donors..</p>	<p>ESCAP gave a presentation to the embassies located in Bangkok, discussing the approach of the division in order to increase the awareness of the environmental work performed. In addition, ESCAP invites potential donors to meetings in order for them to become familiar with ESCAP's work.</p> <p>Programme Support Costs of 13% is deducted from funds received. Local bodies with lower admin charges may be used to channel the funds through.</p> <p>60% of the divisions funding is XB. Korea funding increasing while Japan is reducing. (Overall ESCAP funding is approximately 20 percent XB).</p>	Financial	Possible	High	Higher Risk	

Focus Area:		Programme and Project Management			Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk	Moderate Risk
7	<p>E(i). Fundraising centralized in a general area could hinder opportunities, as donors may want to speak with knowledgeable experts in the substantive area.</p> <p>E(ii). Lengthy and inflexible approval process for projects may result in ad hoc projects being selected.</p> <p>E(iii). ESCAP's unique idea of green growth, may not be well understood by others at the corporate level so that inter-linkage at the work programme level could not be well developed.</p> <p>E(iv). Excessive paperwork required for monitoring, evaluation, and reporting may result in staff spending 50% of their time conducting admin work rather than substantive work. This may result in staff not feeling trusted.</p> <p>E(v). Having insufficient opportunities for networking may hinder ESCAP from obtaining additional resources or ideas.</p> <p>E(vi). The criteria for selecting staff to attend meetings or training, may not be left to the director, which may result in the incorrect staff member being selected for training.</p>	<p>ESCAP has centralized fundraising in the Programme Management Division.</p> <p>ESCAP follows the policies and practices of the UN regulations, however may have implemented additional internal ESCAP controls.</p> <p>ESCAP has published flag ship publications on its work including on its green growth ideas.</p> <p>No set criteria or policy is used by managers or the respective department responsible for training to select staff for training.</p>	Operational	Possible	Medium	Moderate Risk	
	<p>F(i). The mobility program of the UN, may hinder the work of the division, as institutional knowledge, as well as the network of the person, is lost when a staff member leaves.</p>	The mobility requirement is a result of the UN-directed mobility program, and ESCAP is implementing the program in accordance with UN regulations. However, ESCAP does not have a mechanism to use temporary staff for continuation purposes.	Human Resources	Likely	High	Higher Risk	

Focus Area:		Programme and Project Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
7	C(i). The internal controls, as well as the high admin charges regarding donor funding, may result in divisions making alternative arrangements with donors, to process and receive funding outside of the UN system.	Programme Support Costs of 13% is deducted from funds received. Local bodies with lower admin charges may be used to channel the funds through.	Compliance	Likely	High	Higher Risk

		Focus Area: Programme and Project Management		Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall	Risk
IV	EPOC Operational Activities E(i). Lack of sufficient office space may hinder staff from being able to perform their duties well. E(ii). Centralization of authority, combined with lack of budget (such as the need for previous authorization for travel including within Fiji if overnight) may create missed opportunities such as attending UN meetings in other locations. E(iii). Insufficient opportunities for the centre director to interact face-to-face with other divisions for planning purposes, may cause a lack of integration of work. E(iv). Lack of indicators and ability to measure impact of the work at the country level, may result in ESCAP making uninformed decisions. E(v). Difficulty in measuring the impact of workshops and training provided, may result in ESCAP making uninformed decisions. E(vi). A higher level of violent crime in the countries, may hinder EPOC from being able to fully implement activities. E(vii). Security standards not consistent with ESCAP Bangkok, may put EPOC staff at risk, which would hinder the work of the centre.	ESCAP follows the policies and practices of the UN regulations; however ESCAP may have implemented additional internal controls. The main form of communication between Bangkok and the centre is via email and faxes, as video conferencing facilities are not available at EPOC. EPOC does not attend certain meetings and has little contact with the overall management team. The centre does coordinate well with the Programme Management Division. The Director of the centre normally visits Bangkok twice a year.	Operational	Likely	Medium	High	Higher Risk

Focus Area:		Programme and Project Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
7	<p>E(viii). EPOC not being able to adequately represent ESCAP due to inadequate expertise in all program areas may lead to EPOC not being able to properly service clients.</p> <p>E(ix). The lack of delegated authority may hinder EPOC programs from achieving their full potential.</p> <p>E(x). Member states do not provide the necessary data, causing noticeable gaps in EPOC reports.</p> <p>E(xi). Insufficient funds for travel, hinder EPOC representation and impact.</p> <p>E(xii). Documentation is not sufficient to create a lessons learned type of knowledge.</p> <p>G(i). EPOC lack of access to some online systems may result in uninformed decisions being made.</p> <p>G(ii). Inadequate communication between EPOC and ESCAP Bangkok may result in poor guidance and management for the centre.</p>					Moderate Risk

Focus Area:		Programme and Project Management			Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk	
7	<p>F(i). The lack of current staff to cover media relations, could result in missed opportunities to promote EPOC.</p> <p>F(ii). The inability to undertake adequate representative work due to lack of resources, may result in missed opportunities and a lower profile for ESCAP.</p> <p>F(iii). Low staff allocation, compared to work expectations and demand, may result in the centre not meeting its goals and objectives.</p>	<p>The head of the centre performs any media relations duties until appropriate staff can be obtained.</p> <p>With current staffing and funding levels, the centre is unable to provide adequate coverage for all 22 countries in the EPOC region. However, regular Working Group of the Advisory Council of the Pacific Operations Centre meetings are held to discuss the issues in the region and to promote the work of ESCAP.</p>	Human Resources	Possible	Medium	Moderate Risk	
	<p>D(i). Lack of a strategic reserve fund, may result in the inability to take advantage of unplanned opportunities.</p> <p>D(ii). The time lag of one month on the financial recording at ESCAP HQ in Bangkok, on the impress account, may create difficulties for the centre in implementing activities.</p> <p>D(iii). Lack of funds may prevent long-term planning and the ability to develop long term strategies and activities, which would have a greater impact in the region.</p> <p>D(iv). Inadequate donor community contact, may result in the loss of potential funding.</p> <p>D(v) Insufficient funds, may hinder EPOC from meeting its full potential.</p>	<p>The centre tries to use the existing funds with creativity as possible, but still within the UN guidelines.</p>	Financial	Possible	High	Higher Risk	

7		Focus Area: Programme and Project Management	Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
	<p>B(i). EPOC successes have not been well documented, which may cause member states to be unaware of the impact of EPOC.</p> <p>B(ii). EPOC is not recognized as a field office, which may cause the authority and handling of the centre to be unclear.</p> <p>B(iii). Insufficient follow-up capacity building at the national level, may decrease the impact of EPOC's Advisory Services and sub-regional meetings/EGM/workshops.</p> <p>B(iv). The absence of a Headquarter's Agreement with the local government could result in security problems arising.</p>	The centre has a good working relationship with the Pacific regional organizations. In addition, a communication strategy for the centre was developed, which will enhance the communication with the member states, to ensure that EPOC successes are known to them.	Governance	Possible	Low	Lower Risk

Focus Area:		Programme and Project Management			Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk	
7	<p>A(i). The focus on short-term work, may reduce the impact of EPOC in the region to build capacity.</p> <p>A(ii). Urban management and planning needs of member states may not be met, which would reflect poorly upon EPOC.</p> <p>A(iii). EPOC may not be able to adequately address the needs of all 22 countries and territories, which may marginalize the work of EPOC.</p> <p>A(iv). EPOC is not well represented in all 22 countries and territories, which could lead to member discontentment.</p> <p>A(v). Member countries are not very involved in ESCAP, which may result in ESCAP representation being unbalanced.</p> <p>A(vi). Member countries may not feel they are important to ESCAP, which may result in non-involvement in ESCAP activities.</p> <p>A(vii). Fragmented strategic planning done by divisions, may lead to lost opportunities for EPOC.</p> <p>A(viii). General fragmentation of work, may prevent a holistic view that could bring more pragmatic and flexible application of procedures.</p>	EPOC is working to develop a Pacific Urban Agenda with member states and other organizations.	Strategy	Possible	High	Higher Risk	

7		Focus Area:	Programme and Project Management		Possible	High	Higher Risk			
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk				
A(x)	<p>A(ix). Political instability resulting from the coup may prevent EPOC from being able to implement its programmes.</p> <p>A(x). Key donors in the Pacific show little interest in ESCAP, which may result in the work of EPOC being marginalized.</p>	The centre has a good working relationship with the Pacific regional organizations. It has also recently created a communication strategy for the centre which may help in gaining the interest of donors in the region.								
V	Trade and Investment Activities	<p>A(i). The ability of ESCAP to balance normative, analytical and field work in order to improve the business climate and to analyze what is needed by enterprises that are in a position to trade globally may be inadequate.</p> <p>A(ii). ESCAP may lose its ability to advise on trade and investment policies, to respond to government request as member states may not accept the trade facilitation work of ESCAP.</p> <p>A(iii). The loss of the strategic ability for ESCAP to be able to concentrate on its regional presence, rather than global, as other agencies such as ITC, WTO, UNCTAD who already have global presence, may result in duplication of work or losing its competitive edge.</p> <p>A(iv). ESCAP may not be able to influence trade efficiency and facilitate capacity building of international trade among countries as it is only an advocate of trade facilitation.</p>	ESCAP meets with members periodically to discuss their needs.	ESCAP can only advocate trade facilitation; it cannot force action upon any member states, however will conduct needs gap analysis, design programs to suit needs, conduct training, development of work plans, and implementation of field work.	Strategy	Likely	Possible	High	Higher Risk	Higher Risk

Focus Area:		Programme and Project Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
7	<p>F(i). The UN mobility program could lead to the loss of dedicated experts with in-depth knowledge of the issues. This loss of expertise may greatly affect the normative work of ESCAP as experts are needed to have authority on the substantive areas.</p> <p>F(ii). ESCAP staff may lose credibility and opportunities for learning, if they do not participate in conferences and other professional development activities, so as to increase their knowledge in this technical field.</p>	<p>The mobility requirement is a result of the UN-directed mobility program, and ESCAP is implementing the program in accordance with UN regulations. However, ESCAP does not have a mechanism to use temporary staff for continuation purposes.</p> <p>Limited attendance to conferences and training due to limited funding or the training not approved by the relevant management. Staff may undertake independent professional development.</p>	Human Resources	Possible	Medium	Moderate Risk

Focus Area:		Programme and Project Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
7	<p>E(i). The UN mobility program could lead to ESCAP doing superficial work due to the loss of area expertise.</p> <p>E(ii). Focusing only on normative or operational work, may result in ESCAP not being able to fulfil member state requests.</p> <p>E(iii). The bureaucracy of ESCAP regarding administrative documentation and processes, may hinder the implementation of projects.</p> <p>E(iv). The lack of set procedures for letters of agreements, may cause inefficiencies in use of resources and implementation of projects.</p> <p>E(v). Advise given on trade or investment may be incorrect, resulting in a negative impact on countries and ESCAP losing credibility.</p> <p>E(vi). Inflexible and time-intensive travel procedures, may detract from the quality of ESCAP's deliverables.</p> <p>E(vii). Limited substantive work may be done due to the limited resources available.</p> <p>E(viii). The use of incorrect measurement tools and indicators may result in distorted or incorrect results, which will affect the policy advise given to governments.</p>	<p>The mobility requirement is a result of the UN-directed mobility program, and ESCAP is implementing the program in accordance with UN regulations. However, ESCAP does not have a mechanism to use temporary staff for continuation purposes.</p> <p>ESCAP follows the policies and practices of the UN regulations, however they have implemented additional internal ESCAP controls.</p>	Operational	Possible	High	Higher Risk

7	Focus Area:	Programme and Project Management	Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
	B(i). If ESCAP only focuses on normative work, it may not meet the multi-dimensional needs of the member countries.	ESCAP staff are very aware of the risk and the need to maintain neutrality. Best practices are discussed with countries in order to stay neutral.	Governance	Possible	High	Higher Risk
	B(ii). The working environment may not be conducive to meeting objectives if proper authority is not delegated to divisions.	Take professional approach using best practices when offering advise, after conducting appropriate research.				
	B(iii). If the internal system is not adequate to deal with employee issues/complaints, low employee morale may become an issue.	ESCAP should not be controversial.				
	B(iv). Staff members being citizens of a country may be seen as having a conflict of interest if involved in discussions involving a group of countries, including that country.					
	B(v). Taking sides or advising countries in the region that have conflicting views or political allegiance, could result in loss of credibility or reputation.					
	D(i). The pooling of regular budget resources may not be efficient, given the amount of resources used to justify even minimal funding.	Resource pooling is implemented by the Programme Management Division as a means to review current budget allocations.	Financial	Possible	Medium	Moderate Risk
	D(ii). Lack of adequate funding may result in inadequate training or incomplete work project or programmes.	Department prioritize which projects they will submit for funding. Training may not be undertaken if funding is unavailable.				

Focus Area:		Programme and Project Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
VI	<p>Least Developed Countries (LDC) Activities</p> <p>A(i). The importance of Asian and Pacific LDCs may be lost due to the overshadowing by African LDCs.</p> <p>A(ii). The lack of awareness of the work of ESCAP on LDC by other agencies, may mean loss of opportunities to have an impact on the LDCs.</p> <p>A(iii). The inability for ESCAP to ensure that the issues and concerns of LDCs is brought to the forefront and so addressed, so that the poorer countries will not be marginalized.</p> <p>A(iv). The ability for ESCAP to be the collective voice of the Asian LDC may be lost.</p>	<p>ESCAP published various documents (Voice of the LDCs, Policy Brief etc.) and created a video on the LDCs in the region to bring attention to their needs. This video was shared with the US Congress at its request to promote a bill dealing with the elimination of tariffs for Asian and Pacific LDCs.</p> <p>The LDC unit reports directly to the Executive Secretary, which gives visibility to the unit.</p> <p>LDCs' voice heard through global forum and special bodies.</p>	Strategy	Possible	Medium	Moderate Risk

Focus Area:		Programme and Project Management			OIOS Assessment			Risk Category			Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)							Governance	Likeli-hood	Impact	Overall	Risk	
7	B(i). Poor coordination with other agencies may result in duplication of work.	ESCAP coordinates very closely with other organizations to ensure that efforts are not duplicated.	The LDC unit coordinates with other divisions to ensure that the divisions include LDCs in their projects.	ESCAP is the only organization that gives a collective voice to the LDCs under a dedicated unit.	Coordination is done for global action by the LDC coordinator.			Possible	High		Higher Risk		
	B(ii). Lack of a formal mechanism to integrate LDCs' work with the other divisions programme of work, may result in the LDC unit not being aware of what the other divisions are doing.	B(iii). Not including LDC in the organization-wide evaluation done in 2006, may result in ESCAP management making decisions concerning the unit without complete information.	B(iv). Ad hoc changes to the corporate structure may result in dysfunctional units.	B(v). Duplication of the work of the other UN agencies may occur due to the large number of organizations working in the area.	B(vi). Limited attention paid to the LDC unit by ESCAP management, may result in LDC issues becoming dormant or irrelevant.	Fundraising is centralized within the Program Management Division.	The Programme Support Costs applied to donations is in accordance with UN regulations.	Financial	Possible	Medium	Moderate Risk		
	D(i). Lack of systematic fundraising effort may cause lost opportunities for ESCAP, as LDC projects may go unfunded and so may not be done.	D(ii). The overhead charged for administrative activity to donations, may deter donors from giving contributions.											

Focus Area:		Programme and Project Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
7	<p>Interview/Review Summary (Description of risk)</p> <p>E(i). LDC and land-locked countries needs may not be addressed, as these countries may not attend meetings.</p> <p>E(ii). Language barriers in the Special Program of Economics for Central Asia may hinder coordination.</p> <p>E(iii). Lack of a mechanism to systematically incorporate LDC issues in the other substantive divisions' activities, may lead to non-attainment of LDC mainstreaming objectives.</p> <p>E(iv). No formal policy on selecting projects, may result in projects been selected in an ad hoc manner, without proper criteria's and the work of the unit not being prioritized.</p> <p>F(i). The limited resources of the LDC unit, may result in a restriction on projects undertaken.</p> <p>F(ii). Lack of staff to conduct the work of the unit may result in minimal work being undertaken.</p>	<p>Projects must go through an approval process before acceptance is given. A Quality Assurance Team first reviews the projects, and then the Project Acceptance Committee makes the final determination. No further consultation with the LDC unit is performed.</p> <p>Reports from meetings are sent to the seats of governments.</p> <p>ESCAP coordinates closely with the OHRLLS ECE regarding the Special Program of Economics for Central Asia.</p> <p>Staffing resources have remained stable with three professional staff.</p>	Operational	Possible	Medium	Moderate Risk

Focus Area:		Programme and Project Management		Possible		High		Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment		Risk Category	Likeli-hood	Impact	Overall	Risk	
				Possible	Possible	High		Higher Risk	
7	VII Emerging Social Issues Activities	E(i). Data obtained from national governments may not be accurate, or in the case of some island countries, the data may be weak or not available, which could lead to ESCAP making decisions based on inaccurate information.	ESCAP consults with the UN data division in headquarters to add assurance on the quality of the data obtained from national governments. Professional judgment must also be used when determining the accuracy and validity of data.	Operational	Possible	High		Higher Risk	
		E(ii). The paperwork required to conduct projects is overly burdensome, which may result in fewer projects being undertaken. There are instances where proposal has to be prepared in ESCAP format, as well as the donor format, which may at times confuse the preparer.	ESCAP follows the policies and practices of the UN regulations; however, ESCAP may have implemented additional internal controls.	The quality assurance team, the first approval committees for projects, is made up of representatives from various divisions.					
		E(iii). The bureaucratic and burdensome internal control structure, may result in lost opportunities for ESCAP, as they may prevent the completion of divisional objectives.		E(iv). The approval committees for projects may not be made up of subject experts, which could result in a misunderstanding of the proposal.					
		E(v). Donors may be approached for funding before project approval by ESCAP committees. Where project is not later approved by ESCAP's committee, this may result in credibility problems with the donor.		E(vi). Projects are approved internally before approaching donors, however after such approval no donor may be interested in funding the project, which may result in the project not being implemented.					

Focus Area:		Programme and Project Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
7	D(i). Extra budgetary funding may decrease, which would result in activities not being conducted. D(ii). Constraints of the fundraising policy may result in missed opportunities, as donors may not be able to discuss the project with subject-matter experts. D(iii). The lack of transparency of the allocation of donor funds, may create an environment of mistrust. D(iv). The Programme Support Costs of 13 percent and the additional 9 percent for secretarial assistant support, may prevent donors from providing funding. D(v). The pooling of regular budget resources may hinder the implementation of longer term projects, as spend or lose culture is developed. D(vi). Procedures required to complete project proposal are the same regardless of the size of the project or funding requested. All projects have to be submitted to the internal committee on projects regardless of amounts requested. This may seem like excessive administrative paperwork if the project is for a very small amount e.g. \$1,000.	The division relies heavily on extra budgetary funding. Donor funding has been reduced over the years. Fundraising is centralized within the Programme Management Division. The Programme Support Costs applied to donations is in accordance with UN regulations.	Financial	Possible	High	Higher Risk

Focus Area:		Programme and Project Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
7	B(i). Difficulty in identifying the main constituents for any project, may result in the correct groups not being well represented e.g. NGO' may request to fund projects, however lack of guiding roles and reasons for the NGO working with ESCAP, may not be known or be clear. B(ii). To be a representative on a management committee, the requirement is that the Ethics Office disclosure form be completed. Some staff members may not wish to complete these forms, so limiting the individuals eligible to sit on these committees. B(iii). Having too much authority centralized with one division may lead to inefficiencies and ineffectiveness in implementing programs.	The division organizes meetings with member countries to ensure the work of the division is meeting the needs of the constituents. Agencies meet regularly to avoid conflicts and duplications.	Governance	Possible	Medium	Moderate Risk

No	Focus Area: Interview/Review Summary (Description of risk)	Programme and Project Management OIOS Assessment	Risk Category	Possible Likeli-hood	High Impact	Overall Risk	Higher Risk
7	<p>F(i). The UN mobility program may create a gap in the technical staffing resources as they are required to move to other areas.</p> <p>F(ii). Others may see the UN mobility program as contradicting, since people are hired for their expertise.</p> <p>F(iii). If aging consultants are not replaced with qualified people, then a gap will exist when they retire from their consulting practice.</p> <p>F(iv). Inappropriate staffing resources may hinder the work to be performed.</p> <p>F(v). A lack of delegated authority may result in poor employee moral.</p> <p>F(vi). The lack of exposure at conferences and meetings may result in under developing the knowledge base of staff.</p> <p>F(vii). Participants to training exercises who have been nominated by PMD instead of by department heads, may give the impression that there is a lack of confidence in employees or inappropriate persons may be selected to attend.</p> <p>F(viii). If only negative feedback is given for project evaluations, employee's moral may suffer.</p>	The mobility requirement is a result of the UN-directed mobility program, and ESCAP is implementing the program in accordance with UN regulations. However, ESCAP does not have a mechanism to use temporary staff for continuation purposes.	Human Resources	Possible	High	Higher Risk	

Focus Area:		Programme and Project Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
	C(i). Lack of staff buy-in to rules and regulations may exist if staff do not know which rules are UN-wide and which are ESCAP-specific.	ESCAP follows the policies and practices of the UN Financial Regulations, however may have implemented additional internal ESCAP controls.	Compliance	Possible	Low	Lower Risk
	G(i). Lack of committed resources to ICT (financial and human) may result in being unable to maintain the ICT as necessary. Example to maintain the website which may not be professionally done.	The IT unit requests appropriate funding to meet the needs of the organization. It prioritizes the projects in order to implement those most crucial to the organization.	Information Resources	Possible	Low	Lower Risk
	A(i). Emerging issues may not be identified in a timely manner resulting in ESCAP work being irrelevant in the field.	ESCAP works with member governments to determine if new emerging issues exist. Reliance is placed on governments to give direction at least once per year at meetings. Studies of the MDG or LDC will identify most current issues and needs.	Strategy	Possible	High	Higher Risk
	A(ii). The time to respond to emerging issues may seem too long to external organizations and people, which could lead to ESCAP losing credibility in the field.	The response time to deal with emerging issues will depend on the depth of the response. In the past, ESCAP has been able to respond in a timely manner. Example seen in response to Asian flu / SARS. Work is also conducted with other agencies.				
	A(iii). A conflict in priorities may exist between work mandated by UN headquarters and the needs of the member states.					
	A(iv). If coordination is not adequate with other agencies, duplication of work may exist.					
	A(v). Inadequate networking with other agencies and organization by attending conferences and meetings may result in duplication of efforts.	ESCAP participates in working groups to avoid duplicated efforts.				
	A(vi). Emerging issues may arise that do not fit in with one of the divisional programmes or structure resulting in the issue not being dealt with.	Work is done with other divisions on technical matters or consultants may be hired to assist.				

Focus Area:		Programme and Project Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	IOOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
VIII	Statistics Division Activities	D(i). If the large reliance on extra budgetary funding by the division decreases, the division outputs would greatly decrease.	The division relies heavily on extra budgetary funding to fund projects and programmes.	Financial	Possible	High
	A(i). Lack of representation by countries or inability of ESCAP to represent the region on statistical issues may result in no voice on statistics from the region.	A(ii). Insufficient cooperation with the Asian Development Bank in some areas could result in projects not meeting their full potential and duplication of work may exist.	ESCAP coordinates very closely with the Statistical Institute for Asia and the Pacific. When providing training, the division also coordinates with the Asian Development Bank, the International Labour Organization, UN Statistical Department, and the International Monetary Fund.	Strategy	Possible	High
	A(iii). Relying too heavily on extra budgetary funding may increase the chance that ESCAP becomes a process manager.	A(iv). If the annual publication is not seen as being unique and value-added, ESCAP may lose credibility.	The division relies heavily on extra budgetary funding. (Approx. 25% for the sub programme)	Lack of formal consultations with national statistical systems (since the abolishment of the SublCommittee on Statistics) makes it difficult to monitor the needs of member constituents.	ESCAP promotes the adoption of international statistical standards in the region.	Higher Risk
	A(v). ESCAP may not meet its mandate to serve, if it does not know what the needs are of the members constituents.	A(vi). If countries see the division as weakened, the member states may go to other organization for their needs.				
	A(vii). The inability to strategise and ensure the adoption of international statistical standards in the region, to ensure better quality data to be used by the commission.					

Focus Area:		Programme and Project Management			Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk	
7	<p>E(i). Most technical meetings are run in English only, which may prohibit some participants from getting the full benefit of the training provided. The heterogeneity of the participants adds to the problem .</p> <p>E(ii). Countries may not be able to produce independent data that can be relied on, if the structure of the national government requires the statistics division to rely on a ministry for funding.</p> <p>E(iii). Some possible participants may be unable to attend training due to logistical problems (visas, travel delays, etc.).</p> <p>E(iv). The inability for countries to be able to work or implement the new standards or new methodology for gathering statistical data (despite the advocacy and training by ESCAP and SIAP), so as to enhance ESCAP work.</p> <p>E(v). The integration of the work programmes of the Statistics Division and SIAP is not deep enough to ensure efficiency and cost effectiveness.</p> <p>E(vi). Lack of coordination with other regional players (ADB) to develop programmes and technical cooperation with countries and ensure activities are not duplicated.</p>	<p>Distance courses via the internet are now available in different languages.</p> <p>XB projects of SIAP and HQ run in parallel. HQ staff are used at times as lecturers in training courses.</p> <p>Collaboration with other regional players could be improved in some areas, including data collection and technical cooperation.</p>	Operational	Possible	High	Higher Risk	

No	Focus Area: Interview/Review Summary (Description of risk)	Programme and Project Management			Possible	High	Higher Risk
		OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk	
7	<p>E(vii). Country data provided may not be accurate, thus impacting on the statistics produced by ESCAP.</p> <p>E(viii). If ESCAP is unable to produce timely data that can be of value to the region, ESCAP's work will lose its relevance.</p> <p>E(ix). Existing gaps in data published by ESCAP may give the impression that ESCAP does not cover the entire region in a balanced manner.</p> <p>E(x). If ESCAP is unable to use, store and analyze macro economic data of the countries, ESCAP may reduce the impact it has to build country capacity.</p> <p>E(xi). Conflicting data published by ESCAP, other agencies, and countries may cause confusion among data users.</p> <p>E(xii). Advocacy and training by ESCAP and SIAP may not guarantee the implementation of statistical standards at the country level.</p>						

7		Focus Area: Interview/Review Summary (Description of risk)	Programme and Project Management		Possible	High	Higher Risk
No		OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall	Risk
		<p>F(i). The mobility program in the UN may result in staff not performing at the necessary level as they could be required to transfer shortly after having been trained.</p> <p>F(ii). The lack of procedure to adequately deal with staff who under perform may result in compromising the standard of work.</p> <p>F(iii). The shortage of qualified statisticians with the relevant work experience, will result in the inability for ESCAP to hire qualified staff.</p>	Human Resources	Possible	Medium	Moderate Risk	
		<p>The mobility requirement is a result of the UN-directed mobility program, and ESCAP is implementing the program in accordance with UN regulations. However, ESCAP does not have a mechanism to use temporary staff for continuation purposes.</p> <p>The general shortage of NCE candidates in statistics, their mandatory transfer soon after they have been trained as a result of candidates applying to P-3 level and lack of working experience in national statistical systems affects the ability of ESCAP to hire qualified staff.</p>	Governance	Possible	Medium	Moderate Risk	
		<p>B(i). ESCAP may not be able to meet country demands as there is no forum (governance body) to interact with other country professionals on a regular basis.</p> <p>B(ii). The difficulty to change the structure of the division, so as to make it more effective in carrying out its functions, could result in the division operating inefficiently and ineffectively.</p>	Affordability	Possible	Medium	Moderate Risk	
		<p>G(i). Access to information through ESCAP's website may be limited resulting in the inability for countries to access this information, due to lack of computers or technology. Data may therefore not be used.</p>	Information Resources	Possible	Medium	Moderate Risk	

Focus Area:		Programme and Project Management				Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall	Risk	
IX	Information Communications and Space Technology Activities							
	D(i). Insufficient funding may hinder meeting the mandate of the division.	The division relies heavily on extra budgetary funding.	Financial	Possible	High		Higher Risk	
	D(ii). If extra budgetary funding decreases, the division outputs would greatly decrease.							
	D(iii). Without clear guidance on resource mobilization, opportunities may be lost.							
	A(i). If policy is not a focus of ESCAP, the member states may not be properly served.	ESCAP staff are aware of the need to keep neutrality by avoiding the promotion of products or use of logos.	Strategy	Possible	Medium		Moderate Risk	
	A(ii). Being a new division, it may be required to compete with other organizations already in the field.							
	A(iii). Others may perceive ESCAP as having lost its neutrality if it works too closely with the private sector.							
	A(iv). Political instability may result in outputs not being achieved.							
	B(i). Without sufficient coordination, the division may not meet its full potential.	Coordination and backstopping of the division was viewed as inadequate.	Governance	Possible	Low		Lower Risk	
	B(ii). Communication channels may be insufficient for backstopping, resulting in a negative environment.	Uncertainty in the reporting lines of the centres and how their work is integrated within the programmes.						
	B(iii). Lack of a clear reporting channel for APCTT, APCICT and ICST as centres not stand alone but must support the work of the main programmes.							

Focus Area:		Programme and Project Management				Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment		Risk Category	Likeli-hood	Impact	Overall	Risk
7	E(i). ESCAP may not make as great of an impact, if participants have to be funded in order to attend trainings and meetings. E(ii). Lack of impact indicators may cause ESCAP to make misguided decisions. E(iii). Lack of proper security measures may put ESCAP staff at unnecessary risk, which could affect the implementation of programmes. E(iv). Too much centralized authority in one division, may lead to unnecessary bureaucracies and resentment among staff. E(v). Different languages may prohibit some vendors from submitting proposals. E(vi) Lack of UN flexibility in applying rules and regulations may be counter productive in different cultures.	ESCAP has a highly centralized delegation of authority. Some of the functions, such as human resources, procurement authority and accounting are centralized in the Administrative Services Division. Acceptance of contributions and issuance of allotments are centralized in the Programme Management Divisions. However, other authority, such as the certification for the use of funds is delegated by the current Chief of the Programme Management Division to designated officials in the respective Divisions and offices at both ESCAP Headquarters and field duty stations.	Operational	Possible	Medium	Moderate Risk		
	F(i). Inadequate staffing may prohibit certain outputs from being met. F(ii). The UN mobility program may hinder work as ICTST is a specialized field.	The mobility requirement is a result of the UN-directed mobility program, and ESCAP is implementing the program in accordance with UN regulations. However, ESCAP does not have a mechanism to use temporary staff for continuation purposes.	Human Resources	Possible	Medium	Moderate Risk		

Focus Area:		Programme and Project Management		Possible		High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall	Risk
X	Transportation and Tourism Division E(i). ESCAP may lose its institutional knowledge, continuity, and understanding of the region, because of the UN mobility program. E(ii). Countries may not accept the methodology to measure the efficiency of movements, which may hinder the work of ESCAP in identifying problems. E(iii). If countries do not attend regional meetings, ESCAP may have a limited means of knowing their needs. E(iv). Conflicts between countries can seriously jeopardize the transportation project (Pakistan and India) who may restrict their borders.	The mobility requirement is a result of the UN-directed mobility program, and ESCAP is implementing the program in accordance with UN regulations. However, ESCAP does not have a mechanism to use temporary staff for continuation purposes. Turkmenistan does not attend meetings. Meetings can take place once quorum is achieved.	Operational	Possible	High	High	Higher Risk

No	Focus Area: Interview/Review Summary (Description of risk)	PIOOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk	Higher Risk
7	Programme and Project Management	Possible	High	High	High	Higher Risk	
	<p>A(i). Changes in the political climate of the region could hinder the advancement of ESCAP' work.</p> <p>A(ii). The lack of focus on Pacific Island countries regarding transportation, may lead to countries feeling neglected by ESCAP.</p> <p>A(iii). If ESCAP moves to a generalist approach (mobility), government officials/experts may lack confidence when speaking to staff that are not very knowledgeable in the subject matter.</p> <p>A(iv). Directors may not be able to well represent ESCAP, if ESCAP moves toward the generalist approach (UN mobility).</p> <p>A(v). Without getting input from governments when developing the mandates, ESCAP may not be using resources as effectively as it could.</p> <p>A(vi). If the intergovernmental agreement for the Asian railway and road way is not ratified by the countries, the project may have constraints in proceeding.</p> <p>A(vii). The inability for ESCAP to continue acting as facilitator and negotiator with the different countries and land transportation may result in negotiations falling apart on major projects crucial to the region.</p>	The tourism section of the division works with the Pacific Island countries in implementing programs. The mobility requirement is a result of the UN-directed mobility program, and ESCAP is implementing the program in accordance with UN regulations. However, ESCAP does not have a mechanism to use temporary staff for continuation purposes. 1 country has already ratified the agreement , however requires 8 countries ratifying. ESCAP is the only organization that covers the entire region as others may cover only a part. High level of trust placed with ESCAP as seen with no hidden agenda and supporting the smaller poorer countries.	Strategy	Possible	High	Higher Risk	

Focus Area:		Programme and Project Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
7	A(viii). The move of the Asian road way from a technical project to a political project, may result in a change in focus for how ESCAP handles the project.	A(ix). A change in government may result in a change in ministers dealing with projects, which may result in a change in the thinking of the govt and the need for infrastructure.				
	A(x). Countries that sign on the agreement may not follow through or live up to expectation or maintain the highway, thus jeopardizing the entire Asian high way project.	B(i). Missed synergies may occur due to trade and transportation facilitation not being coordinated in the same division.	The division obtains input from member countries in order to meet their needs.	Governance	Possible	High
		B(ii). If member countries dislike the work of ESCAP, the impact ESCAP has, would be minimal in the region.				
	D(i). If extra budgetary funding decreases, the division may not be able to arrange meetings with government participants and finance developing country delegates. This would lead to unequal representation in the meetings.	The division relies on extra budgetary funding for approximately 20 percent of its resources.	Financial	Possible	High	Higher Risk
XI	CAPSAs	D(I). Lack of funding may hinder the work that can be conducted.	The division relies heavily on extra budgetary funding.	Financial	Possible	High
	F(i). The lack of qualified and skilled staff may hinder the centre from meeting its objectives.	ESCAP follows UN standard policies and procedures for recruiting employees.	Human Resources	Possible	Medium	Moderate Risk
	F(ii). Inadequate number of staff may hinder the centre from meeting its objectives.					

7		Focus Area: Programme and Project Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	IOIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
	A(i). If ESCAP does not become a policy platform, its work may not have the full impact possible. A(ii). If dynamic issues are not selected, countries may lose interest in the work of ESCAP.	ESCAP has already begun to redirect the focus of the Commission. The number of operational activities has decreased over the past years from approximately 300 projects to 80-100 projects. More focus is now being put on normative and analytical work.	Strategy	Possible	High	Higher Risk
XII	APCAEM - China F(i). Inadequate staffing may result in challenges to implement work programme. E(ii). Inadequate awareness of member states, as to the work of the unit, may result in limited request from member state. D(i). The reliance on one government to finance the work of the unit, may result in undue political influence, lack of independence and closing of unit if funds are withdrawn.	Unit prioritize work. Staffing resources of 9 staff with 3 international staff. Unit 4 years in operation so considered relatively new. Meetings held to educate member states on work done. Limited funding is available.	Human Resources Operational Financial	Possible Possible Medium	Medium Low Medium	Moderate Risk Lower Risk Moderate Risk
XIII	SIAP- Japan D(i). The heavy dependence on one principal donor, where if this fund decreases or ceases the centre may not be able to operate. D(ii). Lack of funding may result in the countries who need the training the most, to be unable to participate.	In the process of implementing IMIS in the different sub regional offices.	Information Resources	Likely	Medium	Higher Risk Moderate Risk

7	Focus Area:	Programme and Project Management	Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
	E(i). The costs to sponsor participants for training is increasing. These higher costs may deter possible donors as well as participants.	ESCAP coordinates very closely with the Statistical Institute for Asia and the Pacific. When providing training, the division also coordinates with the Asian Development Bank, the International Labour Organization, UN Statistical Department, and the International Monetary Fund. Cost such as travel in the region is increasing so increasing training cost to participants.	Operational	Possible	High	Higher Risk
	E(ii). Training government employees that may leave for a better position elsewhere, may result in low impact of the project, as they will then have no impact on the govt statistical institutes.	Training is provided primarily in English.				
	E(iii). Under serving extremely knowledgeable participants to meet the needs of other less knowledgeable participants, may cause a poor view of ESCAP's work and limit future cooperation.	Courses are held at different levels to facilitate grouping of participants to their knowledge level.				
	E(iv). Other institutions may be promoting conflicting methodology, information or other agendas, from that being given by ESCAP.					
	E(v). Different languages may prohibit some participants from getting the full benefit of training provided.					
	A(i). If SIAP is unable to build the statistical capacity of the region through improving knowledge of policy makers, then the region statistical data will always be compromised.	Workshops are held or questionnaires may be used. Plan to implement distance training.	Strategy	Likely	High	Higher Risk
	G(i). Absence of country data to conduct training that will be relevant to the participants, especially LDC countries, may limit the effectiveness of the training program.	Historical data that is held at ESCAP may be used instead.	Human Resources	Likely	Low	Moderate Risk

7	Focus Area:	Programme and Project Management			Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment			Risk Category	Likeli-hood	Impact	Overall Risk
XIV	APCTT (India)	The centre relies heavily on extra budgetary funding. Member contributions stagnant, as reluctant to contribute more. Some members are in arrears or do not pay. D(ii). The exchange rate fluctuations may cause funding problems for centres relying on contributions in a specific currency.	Financial	Possible	Medium	Moderate Risk		
	F(i). Lack of funding in the centres may create difficulties in recruiting professional or international staff. F(ii). Understaffing may cause centres to not fully meet their full potential.	Limited resources provided to recruit staff.	Human Resources	Possible	Low	Lower Risk		
	G(i). Without updated IT infrastructure in centres, the centres may make decisions without all of the necessary information. G(ii). Without access to IMIS and other systems, centres may be making uninformed decisions.	Regional institutions do not have access to IMIS, which creates a delay of 5 to 6 weeks. ESCAP has begun a trial roll-out of IMIS in one regional institute. If this functions well, it will implement the roll-out for all institutions.	Information Resources	Possible	Low	Lower Risk		
	E(i). The inability to leverage the work of the 4 main areas (Projects, advisory services, publications and research) in order to maximize resources.	Works closely with ICSTD to leverage work.	Operational	Possible	Medium	Moderate Risk		
	B(i). Lack of a clear reporting channel for APCTT, APCICT and ICST as centres not stand alone, but must support the work of the main programmes.	Uncertainty in the reporting lines of the centres and how their work is integrated within the programmes.	Governance	Possible	Medium	Moderate Risk		

Focus Area:		Programme and Project Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
XV	APCICT (Korea)	D(i). If the principal donor of a centre decreases or ceases funding, the centre may not be able to function.	The centre relies heavily on extra budgetary funding.	Financial	Low	Moderate Risk
			Although the Government of the Republic of Korea has provided a funding commitment for 5 years, APCICT continues to work on parallel funding mechanisms to undertake and share the costs of activities for training. Partners in some instances bear all costs related to the training programme that APCICT jointly develop and implement.	Human Resources	Possible	Medium
		F(i). Lack of funding in the centres may create difficulties in recruiting professional staff. F(ii). Understaffing may cause centres to not fully meet their full potential.	From 2008 onwards APCICT will roll out a programme to assist in the programme delivery of content in partnership with national training institutions from across the region through its Digital Partnership Network that was launched on 12 Oct 2007 with participation from 21 countries. In addition, APCICT will also begin a programme for civil servants and graduate students to be based in the Republic of Korea for a period of 1-7 months through the APCICT Digital Opportunity Fellowship programme. All these efforts are means for APCICT to deal with the scenario of not enough resources allocated for staffing.	Information Resources	Likely	Low
		G(i). Without updated IT infrastructure in centres, the centres may make decisions without all of the necessary information. G(ii). Without access to IMIS and other systems, centres may be making uninformed decisions.	Regional institutions do not have access to IMIS, which creates a delay of 5 to 6 weeks. ESCAP has begun a trial roll-out of IMIS in one regional institute. If this functions well, it will implement the roll-out for all institutions.	Information Resources	Likely	Moderate Risk

Focus Area:		Programme and Project Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
	B(i). Lack of a clear reporting channel for APCTT, APCICT and ICST as centres not stand alone but must support the work of the main programmes.	Programme planning and execution are done in consultation with the relevant sections in ICSTD.	Governance	Possible	Medium	Moderate Risk
	E(i). Difficulty in conducting procurement as there is no delegation of authority from HQ, vendors are Korean speaking and need to complete English forms.	All requisitions sent to HQ regardless of the amounts. Staff may assist vendors in completing documentation but some may refuse as seen as too much work.	Operational	Possible	Low	Lower Risk

Risk Assessment of : ESCAP

No	Focus Area:	Conference and Documents Management	Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Impact	Overall Risk
8	Library Services	The mobility requirement is a result of the UN-directed mobility program, and ESCAP is implementing the program in accordance with UN regulations. However, ESCAP does not have a mechanism to use temporary staff for continuation purposes.	Human Resources	Possible	Moderate Risk
	F(i). The UN mobility program may create inefficiencies and ineffectiveness as there may be a loss of institutional knowledge when staff move and it may be costly to train new staff.	A decision has not been made to centralize the library; therefore, resource needs such as staffing have not yet been looked at.			
	F(ii). Staffing may not be adequate when the ESCAP library is turned into a centralized library for all UN agencies in Thailand. This in turn may cause the library unit not to be able to provide sufficient services to its clients.	Historical data is used to prepare the department's budget.	Financial	Possible	Moderate Risk
	D(i). The rising cost of subscription fees may cause the library unit to be unable to obtain all of the appropriate subscriptions, which would then lead to the needs of ESCAP staff and the public who use the library, not being met.	The unit eliminated a GS staffing position to use the funding for subscriptions.			
	D(ii). The lack of research and development funding, may prohibit advancement of ESCAP work and ESCAP staff.	Online publications and newspaper cost raising substantially resulting in reduction of subscriptions that can be taken by the library.			
	D(iii). The rigidity of the budget process makes it difficult to conduct work, as funds may be available in the unit, but cannot be moved across areas or to other expense items within the unit.	Sales of publications are pooled to the general fund.			
	D(iv). The preference of donors to fund substantive areas rather than assist with donations for books, may result in a shortfall of funds.	22 participating libraries negotiate globally resulting in one password that is maintained in NY.			

8		Focus Area:	Conference and Documents Management		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk	
I	G(i). The inability to upgrade the technology available in the library so as to enable better search engines, may render the library services out dated. G(ii). Difficulty in the public obtaining books or published material from ESCAP, as a result of having to send funds to Geneva or NY , rather than directly to ESCAP, may result in the region not having quick access to ESCAP's publications.	Funding to upgrade technology is not available. Library direct all enquires for purchase of publication to NY or Geneva office.	Information Resources	Possible	Low	Lower Risk	
II	Conference Services	ESCAP does not have an integrated booking system, but conducts these manually or in the different systems available.	Information Resources	Possible	Medium	Moderate Risk	
	G(i). Lack of an integrated booking system may cause undue delays, resulting in inefficiencies in the conference services.	ESCAP's facilities offer stringent security as well as modern equipment, which help attract clients.	Strategy	Possible	Medium	Moderate Risk	
	A(i). Political unrest could result in the cancellation of events, if the political environment of Thailand is unstable example, during the coup. A(ii). Lack of unique services and competitive rates for conference service packages, may result in ESCAP losing business to other competing entities such as hotels. A(iii). By not modernizing the conference centre facilities, ESCAP may be losing opportunities to fully utilize the centre.	Hotels in the country are now offering discounted conference facilities linked to room reservations, which is more attractive to organizations.					
	F(i). The UN mobility program may create inefficiencies and ineffectiveness as new staff must be trained and there is a loss of institutional knowledge.	The mobility requirement is a result of the UN-directed mobility program, and ESCAP is implementing the program in accordance with UN regulations. However, ESCAP does not have a mechanism to use temporary staff for continuation purposes.	Human Resources	Likely	Medium	Higher Risk	

8		Focus Area:	Conference and Documents Management			Possible	Medium	Moderate	Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall	Risk	Moderate Risk	
	D(i). If all overhead cost related to conducting conference services e.g. XB projects, is to be charged out, this may result in exorbitant charges for conference services, resulting in the rates for the facilities being uncompetitive.	The present cost for conference facilities does not include most common services or overhead costs, as a system is not presently in place to conduct such detailed costing.	Financial	Possible	Medium	Moderate	Risk		
	E(i). Difficulty in filling translation posts, especially for French translation services, may result in these services not been provided in a timely manner. E(ii). Delays in circulating documents for meetings or conferences, may result in Member States viewing ESCAP as inefficient if documents are not translated in a timely manner. E(iii). Difficulty in concluding Headquarters Agreements (host country agreements) with host Governments may result in delays in organizing conferences outside Bangkok. Lengthy delays may also occur due to lengthy approval procedures of the Office of Legal Affairs.	The positions have gone through the standard UN recruitment process. One position had to be readvertised due to a lack of initial interest. Delays in translating documents are often due to receiving the documents late from the Divisions. ESCAP may bring in interpreters from outside of Bangkok. Exams must be passed for interpretation and editorial staff. Persons may prefer to operate part time, as compensation is considered better than as a full time staff.	Operational	Likely	Medium	Higher	Risk		

Risk Assessment of: ESCAP

9		Focus Area:	Property and Facilities Management		Possible	Low	Lower Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk	
1	Facilities Management Activities D(i). The budget and allocation of funds structure of the UN, results in major projects or maintenance contracts losing funding if they are delayed beyond the two-year time frame, thus resulting in incomplete projects. D(ii). The lack of a cost accounting system to better manage common services provided by ESCAP, may result in ESCAP not knowing the true cost of the services provided to other agencies. D(iii). Inflexibility in the budget year, especially if projects are unable to start at the start of the budget year, may result in a disconnect between the budget and project. D(iv). Unnecessary projects may be identified to match budget amounts, resulting in over spending or unnecessary spending.	Allotments and budgets are approved as per UN regulations. ESCAP follows standard UN policies and procedures with regard to capturing facilities management data.	Financial	Possible	Low	Moderate Risk	

9	Focus Area:	Property and Facilities Management			Possible	Low	Lower Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall	Risk
	<p>E(i). Resource pooling results in a burdensome amount of paperwork for justification, which may detract from other necessary work.</p> <p>E(ii). Major projects or maintenance requirements may have to be delayed or deferred, if they are over the budgeted facilities allowance.</p> <p>E(iii). Projects relating to safety issues that have been delayed because of unavailable budget resources, may pose a liability threat to ESCAP.</p> <p>E(iv). The time consuming process of getting HPSB approval for write-off donations, regardless of dollar value, may result in ESCAP losing the chance to provide goodwill and build ESCAP's name recognition.</p> <p>E(v). Lack of a global standard for office maintenance or building construction, may result in defective construction taking place.</p> <p>F(i). Without a new global standard for space allocations, ESCAP may have difficulty getting employee support for changes for space allocations.</p>	<p>ESCAP prioritizes the immediate needs with regards to projects and maintenance.</p> <p>Budgets for projects are based on preliminary estimates. There is no flexibility in the budgets once actual costs are known for projects.</p> <p>In instances after 2 years, by the time approval is received for write off equipment, items are no longer useful to the individuals (e.g. computer equipments).</p> <p>For building construction and maintenance of the building, they follow regulated standards. May use US, UK or Australian standard for building or maintenance, depending on who is bidding on the contract.</p>	Operational	Possible	Low	Lower Risk	

Risk Assessment of: ESCAP

10	Focus Area: Safety and Security	OIOS Assessment	Risk Category	Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)		Likeli-hood	Impact	Overall Risk	
I	<p>Security Activities</p> <p>F(i). Lack of proper training for security staff in occupational health and safety requirements, may result in compromising of these activities.</p> <p>F(ii). Security staffing resources may be over extended if there are a large number of meetings held by organizations other than the UN.</p> <p>F(iii). Natural disasters may negatively affect the safety of ESCAP staff, which could result in ESCAP not being able to meet its goals and objectives.</p> <p>F(iv). Pandemics such as SARS may affect the safety of the staff, as well as the development of the region which would result in ESCAP not being able to meet its goals.</p> <p>F(V). The low-grading of certain positions (chiefs of security and procurement), may increase the possibility of ESCAP recruiting less experienced staff for the positions.</p>	<p>The section's staffing resources are decided by the Office of Safety and Security, not ESCAP.</p> <p>Security has implemented a communication system backed up by a warden system, to respond to safety of ESCAP staff during natural disasters.</p> <p>In preparation of the 2006-2007 biennium budget and with the establishment of the new Department of Safety and Security, ESCAP raised the requirement to reclassify the Post of Chief of Security to a higher level in order to actually reflect the responsibility given to the Chief at the Bangkok duty station. At that time this request was not entertained. As a consequence of the above, currently in Bangkok, the senior security officers who are reporting to the Chief of Security carry the same contractual level as that of the Chief.</p> <p>To deal with the bird flu epidemic, a panel has been created with experts from various agencies to advise on solving current problems. A contingency plan has been put in place.</p>	Human Resources	Likely	High	Higher Risk

10	Focus Area:	Safety and Security	Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
	<p>A(i). The location of ESCAP offices (near key government and military offices), may result in ESCAP being indirectly affected if a security incident occurs that is related to the government of Thailand.</p> <p>A(ii). Political unrest could result in the cancellation of events, if the political environment of Thailand is unstable example, during the coup.</p>	<p>Security has taken all precautions possible, such as blast-proof windows, access control measures, and counter surveillance, to ensure the safety of ESCAP staff, should an event occur in the area.</p>	Strategy	Possible	High	Higher Risk

Focus Areas

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

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

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

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

Risk Categories

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

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

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

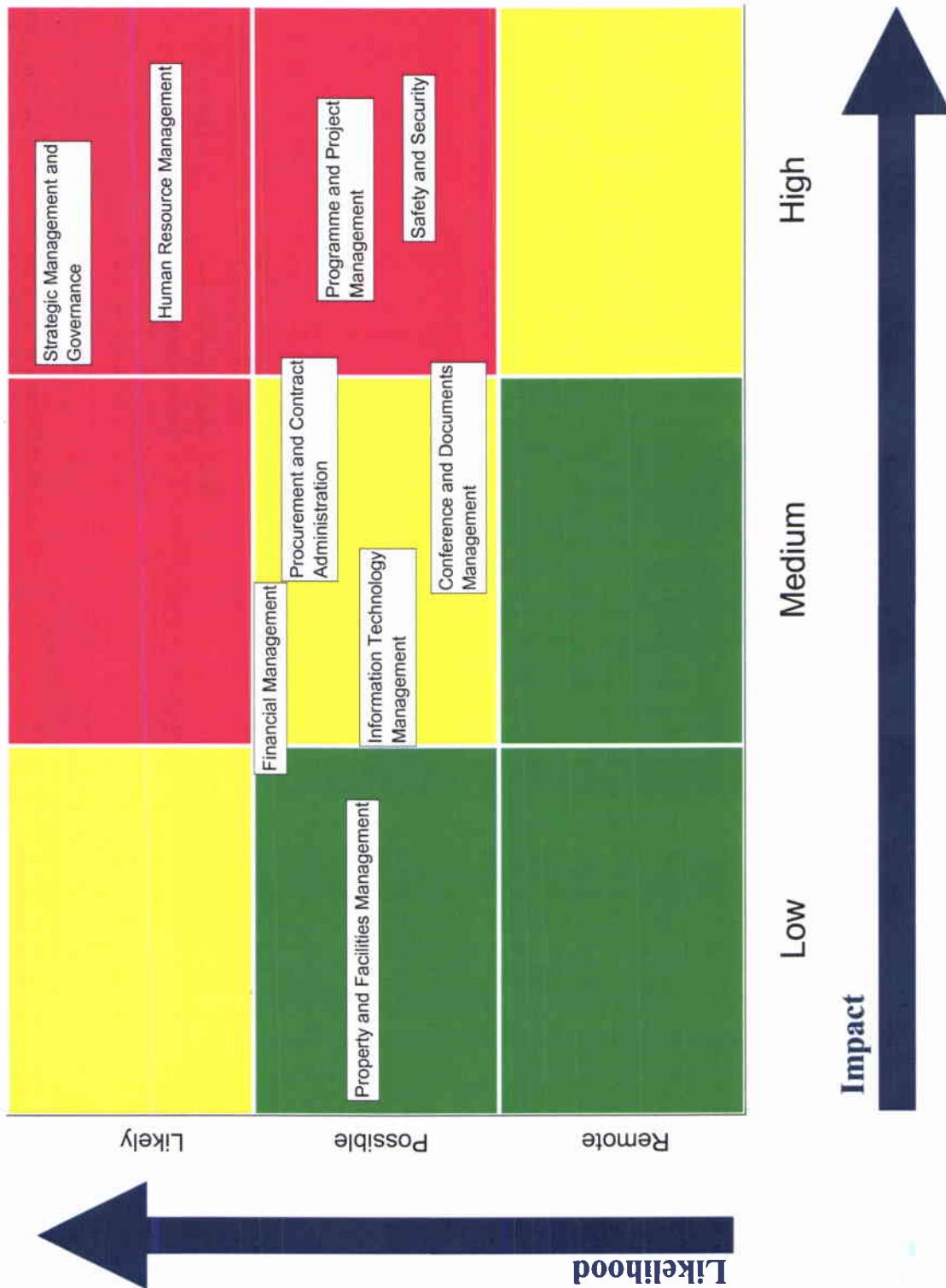
Risk Assessment Ratings

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

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

Risk Likelihood		Overall Risk Combinations Impact and Likelihood			
Risk Impact		Impact		Likelihood	
High	Serious impact on operation, reputation, or funding status	High	Very High	Likely and high	
Medium	Significant impact on operations, reputation, or funding status	Medium	Medium	Likely and medium	
Low	Less significant impact on operations, reputation, or funding status	Low	Low	Possible and high	
Higher Risk		The identified issue represents the following likelihood and impact combinations:		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		<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)



RISK SUMMARY PROFILE (Sub Focus Area)

