



**INTERNAL AUDIT DIVISION
OFFICE OF INTERNAL OVERSIGHT SERVICES**

RISK ASSESSMENT REPORT

**The Economic Commission for Latin
America and the Caribbean (ECLAC)**

**13 July 2007
Assignment No. AA2007/730/01**

United Nations  **Nations Unies**

INTEROFFICE MEMORANDUM

MEMORANDUM INTERIEUR

INTERNAL AUDIT DIVISION · DIVISION DE L'AUDIT INTERNE
OIOS · BSCI

TO: Mr. José Luis Machinea, Executive Secretary
A: ECLAC

DATE: 13 July 2007

REFERENCE: AUD-File no. (07- 00336)

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

for
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SUBJECT: Assignment No. AA2007/730/01 - ECLAC Risk Assessment

OBJET:

1. I am pleased to present OIOS' risk assessment of the Economic Commission for Latin America and the Caribbean (ECLAC) which was carried out from May to June 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 ECLAC 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. Please note that under the General Assembly resolution 59/272, a member state may request that any report issued by OIOS be made available to them.
4. 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: Ms. Regina Pawlik, Chief, Division of Administration
Mr. Mario Báez, Chief, Programme Planning and Operations Division
Mr. Swatantra Goolsarran, Executive Secretary, UN Board of Auditors
Mr. Jonathan Childerley, Chief, Oversight Support Unit, Department of Management
Mr. Byung-Kun Min, Programme Officer, OIOS

INTERNAL AUDIT DIVISION

FUNCTION

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

CONTACT INFORMATION

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PARTICIPANTS

The OIOS risk assessment team conducted workshops and interviews with the following staff members of ECLAC, 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">• José Luis Machinea, Executive Secretary• Ernesto Ottone, Acting Deputy Executive Secretary and Secretary of the Office of the Secretary of the Commission
Conference and Document Management	<ul style="list-style-type: none">• Laura López, Chief of Division, Documents and Publications Division
Programme and Project Management	<ul style="list-style-type: none">• Sonia Montaño, Chief of Section, Women and Development Unit• Joao Carlos Ferraz, Chief of Division of Production, Productivity and Management (DPPM)• Martine Dirven, Chief of Agricultural Development Unit• Wilson Peres, Chief of Industrial and Technological Development Unit• Osvaldo Kacef, Officer-in-Charge, Economic Development Division (EDD)• Juan Pablo Jiménez, Economic Affairs Officer• Omar Bello, Economic Affairs Officer• Filipa Correia, Economic Affairs Officer• Dirk Jaspers-Faijer, Chief of Population Division (PD) – CELADE• Guiomar Bay, Expert• Fabiana Del Popolo, Expert• Alejandra Silva, Software User Support Assistant• Jorge Rodríguez, Research Assistant• José Luis Samaniego, Chief of Sustainable Development and Human Settlements Division• Marianne Schaper, Economic Affairs Officer• José Javier Gómez, Environmental Affairs Officer• Ricardo Jordán, Economic Affairs Officer• Juan Carlos Ramírez, Director Latin American & Caribbean Institute for Economic and Social Planning (LACIESP)• Iván Silva, Expert• Paul Dekock, Chief of Unit• María Ester Montero, Administrative Assistant• Ricardo Martner, Expert• Horacio Santamaría, Officer-in-Charge Statistics and Economic Projections Division (SEPD)• Francisco Villarreal, Economic Affairs Officer• Xavier Mancero, Expert

Focus Area	Name and Functional Title
Programme and Project Management (cont)	<ul style="list-style-type: none"> • Osvaldo Rosales, Chief of International Trade and Integration Division (ITID) • Mikio Kuwayama, Economic Affairs Officer • José Carlos Mattos, Economic Affairs Officer • Carlos Stark, Economic Affairs Officer • Hugo Altomonte (in absence of Mr. Fernando Sánchez-Albavera), Chief of Natural Resources and Infrastructure Division (NRID) • Manlio Covello, Economic Affairs Officer • Eduardo Chaparro, Economic Affairs Officer • Martin Hopenhayn (in absence of Mr. Andras Uthoff), Adviser, Social Development Division (SDD) • María Elisa Bernal, Social Affairs Officer • Rodrigo Martínez, Expert • Mario Báez, Chief of Programme Planning and Operations Division (PPOD) • Raúl García Buchaca, Chief of Programme Planning and evaluation Unit • Chia-Yin Chiang, Programme Officer • Juan Morandé, Budget Officer • Jorge Mattar, Officer-in-charge, Sub-regional Office in Mexico • Julie Lennox, Deputy Director, Mexico • Stephen Cooper, Officer-in-charge, Administration Section, Mexico • Juan Carlos Moreno, Economic Affairs Officer, Mexico • Neil Pierre, Director, Trinidad • Njage Nthiga, Administrative Officer, Admin. Section, Trinidad • Radcliffe Dookie, Programme Officer, Trinidad • María Liz Vera, Programmer, Trinidad • Olga Lucia Acosta, Regional Advisor, Bogota • Maria Cristina Maldonado, Administrative Assistant, Bogota • Cristina Suárez, Secretary, Bogota • María Alejandra Botiva, Research Assistant, Bogota
Human Resource Management	<ul style="list-style-type: none"> • Christian Dahoui, Chief of Section of Human Resources Section (HRS) • Gisella Yaksetig, Human Resources Officer • Javier Zanon, Human Resources Officer • Verónica Saavedra, Recruitment Assistant • Luz María Sánchez, Personnel Assistant

Focus Area	Name and Functional Title
Safety and Security Management	<ul style="list-style-type: none"> • Manuel Arcos, Chief of Section, Safety and Security Section (SSS) • Rodrigo Da Paixao, Deputy Chief of Section • Manuel Rebollo, Security Officer
Financial Management	<ul style="list-style-type: none"> • Jorge Cordero, Officer-in-Charge, Financial Services Section (FSS) • Cristián Rabi, Finance Officer • Enrique Yusari, Expert
Procurement and Contract Administration Logistics	<ul style="list-style-type: none"> • Regina Pawlik, Chief of Division of Administration • Andrea Henrichsen, Chief, General Services Section (GSS) • Mercedes Cornejo, Procurement Assistant
Property and Facilities Management	
Information Technology Management	<ul style="list-style-type: none"> • Malcolm Chapman, Chief, Information and Communication Technologies Section (ICTS) • Sergio Acevedo, Computer Systems Officer • Jorge Guarro, Information Systems Officer • Francisco Campos, Computer Information Systems Officer • Pedro Sust, Computer Information Systems Officer • Juan Rojo, Officer-in-charge, Information Services Unit (ISU) • Félix Ibáñez, Public Information Assistant • Jorge Balzo, Computer Information Systems Assistant • Ricardo Aguerre, IMIS Coordinator

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

RISK REGISTER

Risk Assessment of: ECLAC JUNE 2007

No	Focus Area: Interview/Review Summary (Description of risk)	Strategic Management and Governance		Risk Category	Likeli-hood	Impact	Overall Risk	Possible	High	Higher Risk
		OIOS Assessment	Governance							
1	Executive secretary	B(i). The UN system may not have a framework to identify and address key issues identified at the country and regional levels, making it difficult for ECLAC to perform as a catalyst for the analytical and normative work of the UN system at the regional level, as envisaged in the High Level Panel of system-wide coherence report.	Close work and collaboration with other UN agencies and key institutions such as governments, academia, civil societies.		Possible	High	High	Possible	High	Higher Risk
		A(i). The demand-driven technical assistance may not be sufficient to complement the normative work of ECLAC and give the countries of the Region a sense of ownership of ECLAC. A(ii). Insufficient coordination with other UN agencies and Bretton Woods institutions could lead to duplication of efforts and limitations in the work of ECLAC. A(iii). Lack of ERM could lead to ECLAC not managing risks and opportunities.	Meetings and conferences ensure ECLAC stays in tune to the demands of the region.	Strategy	Possible	Medium	Moderate Risk			

Focus Area:		Strategic Management and Governance			Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk	Higher Risk
1	Deputy Exec. Secretary and Office of Secretary of Commission	A(i). Complex political situation in the Region, i.e. different kinds of governance and different social and political doctrines may lead to certain Governments in the Region perceiving ECLAC as being against their goals and doctrines.	ECLAC maintains pluralistic UN approach, very open, very neutral; ECLAC is the only organization in the Region where all countries are represented. ECLAC has long theoretical tradition and is seen as an intellectual school.	Strategy	Possible	High	Higher Risk
II		A(ii). ECLAC may lose its capacity to anticipate changes in the Region, which would lessen its impact. For example, ECLAC started the debate on expected pattern of change in productivity and is introducing ITC as a new field of research.	Senior management carefully reviews the text of ECLAC's main outputs (Economic Outlook, Social Panorama, Demographic Panorama, etc.) and ensure the official position of ECLAC is appropriate.	Sub-regional offices are playing a major role; video conferences; exchange of staff.	ECLAC understands that the more advanced countries' demand is for analytical and best practices studies, while less developed countries require assistance to address shortcomings such as assistance with planning and evaluation of disaster.		
		A(iii). ECLAC's representation in the Region may be unbalanced, with Southern America receiving more attention than the other sub-regions (Central America and the Caribbean).					
		A(iv). The demand for ECLAC's expertise may not be sufficiently analyzed and understood by ECLAC, leading to misdirected efforts in the Region.					
		A(v). ECLAC's position as an intermediate level of development (not developed, not poorest) may affect the UN (particularly DESA) understanding of the needs of the ECLAC countries (e.g. for trade issues), which may result in inconsistencies in global UN approach.	DESA elected to transfer ECLAC's figures without changes in its Population Report.				

1	Focus Area: Strategic Management and Governance	Possible	High	Higher Risk	
No	Interview/Review Summary (Description of risk)	Risk Category	Likeli-hood	Impact	Overall Risk
	F(i). ECLAC may not have the resources/skills set to adequately address the demand for technical assistance.	Human Resources	Possible	Medium	Moderate Risk
	D(i). The extra budgetary funding may not be sufficient to cover the demand for technical assistance. D(ii). ECLAC may lose credibility among the donors and so may lose funding.	The budget is sufficient; extra-budgetary funding is stable and will continue to grow as transparency in use of funds is maintained.	Financial	Possible	High
	B(i). The ECLAC culture may not be conducive to identifying opportunities for staff diversification, which may reduce programme effectiveness. B(ii). Representation of member countries in the Commission's sessions may be weak and/or the mandates given inadequate.	There is no large turnover of staff as a result in a change in generation; in addition to Latin American experts, ECLAC recruits Europeans, Japanese. High level of representation; ECLAC has never been criticized by Governments. Governing Council sessions are kept short to enable high level representatives to attend. Mandates are flexible.	Governance	Possible	High
	B(iii). Weaknesses in management system could lead to inefficiencies and ineffectiveness in programme delivery as a result of not aligning needs of all programmes to meet ECLAC's mandate.	Management Committee has been created to monitor management indicators and take remedial actions when needed. UN policies and procedures are used. The ECLAC's structure has been recently updated to meet the changing needs of the organization.			Higher Risk
	E(ii). ECLAC runs the risk of a language barrier, as work is heavily conducted in Spanish, so minimizing its work being used by countries or individuals speaking other languages.	There is a strong Latin American culture with flexibility and willingness to receive staff who are not extremely fluent in Spanish but excellent in their field.	Operational	Likely	Medium
					Higher Risk

Risk Assessment of: ECCLAC JUNE 2007

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
I	Financial Services Section D(i). Payroll processing may be weakened due to lack of coordination with Human Resources Section and could result in incorrect information being used to process payroll and incorrect amounts being paid. D(ii). Donor confidence could be lost due to not producing accurate XB project related financial reports if there are breakdowns in the IMIS. RB financial reports may not be consolidated on time or may be inaccurate and misleading. D(iii). Banks could give incorrect Electronic Fund Transfer and system may not be robust, which could result in a fraud and loss of ECCLAC funds. D(iv). Uncertainties in the Chilean market forces could cause fluctuations in foreign currency exchange rates that may result in financial losses to ECCLAC. D(v). Delays in the remittances of funds from NY to ECCLAC's bank may result in the inability to make payments.	Compare past and current payroll runs. Adequate segregation of duties, many queries on databases, checks and balances, and staff are properly trained. Bank reconciliations done monthly, bank balances updated daily, electronic on line bank statements. Small amount of funds is maintained in Pesos with majority of funds maintained in United States Dollars in New York.	Financial	Possible	High	Higher Risk

2	Focus Area:	Financial Management	Possible	Medium	Moderate Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
	E(i). Not approving allotments in time or for less than a year leads to not implementing programmes and not making payments in time and could result in inefficiencies and ineffectiveness in programme delivery.	The UN system procedures are used which specifies that allotments have to be made according to when the funds are approved. Programs that require more than a year are followed up to ensure timely delivery.	Operational	Possible	Low	Lower Risk
	E(ii). The UN budgeting cycle is inflexible and causes inefficiencies when allotments expire before expenditures are incurred. Budget is insufficient to maintain facilities that wear out and to replace computer equipment inline with headquarters IT strategy and to remain current with technological changes.	IMIS is supported 100% and maintained in NY and is backed up weekly in NY and daily in Santiago but stored on site. Staff is capable of producing reports manually in case of break down in system.	Information Resources	Remote	Low	Lower Risk
	G(i). Not having financial reports, processing payments to vendors and payroll in time when IMIS breaks down, and also incompatibility of information technology packages including IMIS, Databases and Galaxy which are not interfaced resulting in inefficiencies.	The UN Policies and Procedures for HR and Finance are used.	Governance	Possible	Medium	Moderate Risk
	B(ii). The UN framework of rules and regulations as it relates to HR and Finance is cumbersome and difficult and does not allow flexibility, which is time consuming and burdensome to staff and leads to inefficiencies and ineffectiveness in providing support e.g. budget cycle spend or lose, RB cannot be rolled over etc.					

Risk Assessment of : ECLAC JUNE 2007

No	Focus Area:	Human Resource Management	Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Impact	Overall Risk
No	Human Resources Unit		Likeli-hood	Likely	Higher Risk
3	F(i). High vacancy rates of approximately 9 % and poorly defined structures in ECLAC could lead to confusion, poor staff morale and may result in impairing achievement of ECLAC's mandate.	<p>Use short term staff as a short term alternative. Recruitment practices targeting under represented countries.</p> <p>Management Committee formed to address vacancy rate, nationality and gender issues. Drive now in place to fill all vacancies.</p> <p>Training of staff members undertaken ensuring procedures are properly documented in operational manuals.</p> <p>Consultant roster existed but not updated due to lack of man power.</p> <p>F(ii). UN mobility programme may create loss of specialized knowledge and inefficiencies in human resources management; also the Personnel Appraisal System (PAS) is not objective, does not recognize staff performance, causes poor morale and lack of motivation among staff members and may result in low productivity and inefficiencies in ECLAC's work programmes.</p> <p>F(iii). Imbalances in representation of nationalities at ECLAC (2/3 of staff come from Region and out of these the majority comes from 4-5 countries of the Region) may give perception of ECLAC not respecting UN core value of cultural diversity.</p> <p>F(iv). Staff development may not be properly monitored resulting in knowledge loss as staff are retiring at a fast rate.</p>	Human Resources	High	Higher 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
	F(v). Filling of established positions with short term staff will result in the regular checks being bypassed, such as gender and nationality representation.					
	F(vi). Lack of a roster of consultants leads to delays in recruitment and may result in delays in implementing programmes that could result in loss of interest by countries.					
	F(vii). Manpower of HR department is inadequate resulting in the division being unable to adequately serve the organization.					
	F(viii). The organization may not be able to deliver specific highly specialized technical training, so as to enable staff to remain relevant and up to date in their field.					
	F(ix). The challenge of recruiting persons in Chile may lead to not recruiting the best candidate or professional in the field.					
	A(i). The use of consultants who are cheaper to hire could result in undermining ECLAC's reputation, as these consultants are not properly vetted.	The recruitment policy does not require the detail vetting of consultants as would be the case with staff recruitment.	Strategy	Possible	High	Higher Risk
	G(i). Incompatible information technology packages including IMIS, Databases, and Galaxy, which are not interfaced results in inefficiencies.	The HR unit has developed spreadsheets to better be able to manage the work, however these are labor intensive.	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	Higher Risk
	<p>B(i). Managers lacking leadership and managerial skills could practice poor management styles, that could result in poor performance of staff members and may impair attainment of mandate and objectives.</p> <p>B(ii). Lack of independence vis à vis ECLAC's executive direction of administrative support sections such as human resources, finance and procurement sections could compromise the work of ECLAC and may result in inefficiencies.</p> <p>B(iii). Lack of a whistle blower policy may result in persons being reluctant to report wrong doing.</p> <p>B(iv). Coordination of IMIS may not be properly placed in the organization structure which may result in inefficiencies in operations.</p>	Human Resource Unit has developed training programs to address management skills issues, however all managers may not attend. ECLAC complies with UN administrative policies however, some procedures are difficult at times to enforce.	Governance	Likely	Medium		

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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	
I	Procurement Unit In General Admin Div	<p>Procurement officer presently on extended sick leave and will be absent for another 3 mths. Officer at the P3 level is responsible for procurement and is assisted by G level staff.</p> <p>F(i). Inadequate staffing resources leads to overworking, unreliable decision making, delays in processing procurement actions and could result in waste of resources and inefficiencies.</p> <p>E(i). Requisitioners' lack of knowledge of procurement procedures, takes a lot of procurement officers time and could result in compromise of procurement actions, inefficiencies, not making correct decisions and could result in ordering incorrect goods.</p> <p>E(ii). Procurement actions with high threshold levels (US\$200,000 and above) requires approval and coordination with NY headquarters. This takes from 3 to 6 months, and may increase costs to ECCLAC, and also result in losses or leads to ineffectiveness and inefficiencies.</p> <p>E(iii). A low threshold of US\$1,000 instead of US\$2,500 approved in the UN financial rules, delays processing of procurement actions, creates more work for procurement officers and could result in inefficiencies and ineffectiveness in processing procurement actions.</p> <p>E(iv). The UN framework of approving allotments for duration of less than a year creates more work as purchase orders have to be closed and re opened yearly for multi year commitment of services, construction and cleaning contracts. These create ex-post facto cases, inefficiencies and could result in waste of financial resources.</p>	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
	G(i). The use of IMIS and reality systems that run differently to process and approved purchase orders is labor intensive and delays processing procurement actions and payments to vendors.	Constraint to use of the required IMIS system, however where necessary manual processing may be done if the need arises. Use of batch processing and printing of PO at end of the day to save time.	Information Resources	Remote	Medium	Lower Risk
	C(i). Procurement officers may enter into contracts outside of the specified policies and procedures for e.g. with none approved UN vendors so as to receive personal gains. C(ii). Lack of adequate policies and procedures may result in fraud and irregularities in the procurement process.	Procurement manual, warranties on goods, bonds, penalties if contracts not completed according to terms, work with legal advisor.	Compliance	Possible	Medium	Moderate Risk

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No	Focus Area:	Logistics Management	Remote	Medium	Lower Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Impact	Overall Risk
No	Travel Unit		Remote	Medium	Lower Risk
1	E(i). Processing of travel requests in IMIS takes longer time when working with offices away from headquarters and leads to delays, increased prices on air fares for not purchasing ticket within required time and results in higher costs to ECCLAC.	Coordination between sub regional offices and offices done mainly by phone. Vehicles policy in place to monitor use of vehicles including a log register.	Operational	Remote	Medium Lower Risk
	E(ii). Misuse of vehicles could lead to abuses, accidents, high maintenance costs, which would result in high costs to ECCLAC as would need to replace vehicles faster.				
	D(i). Poor planning of travel arrangements could lead to higher costs to ECCLAC as a result of penalties (fees charged) by airlines.	High cost at times incurred for travel ticket due to changes in travel request. Hold up in request may be due to approval of EB funds.	Financial	Possible	Low Lower Risk

Risk Assessment of: ECCLAC JUNE 2007

No	Focus Area:	Information Technology Management	Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Impact	Overall Risk
1	Information and Communication Technology Section				
	A(i). Lack of strategic direction in ICT policies results in unclear annual work plans, inability to follow up and lack of continuity in focal point meetings, which hamper overall achievement of mandate.	Timely reorganization of priorities, regular meetings within section, training in IT planned in 2007 including appointing focal point persons. No development life cycle policy in place but to be developed.	Strategy	Possible	High
	A(ii). Lack of strategy to implement standard methodologies throughout the system development life-cycle and the decentralized development of applications carried out by consultants without centralized guidelines, could lead to non compliant with ICT policy and result in losses and inefficiencies.				Higher Risk
	F(i). Inadequate human resources for IT to ensure adequate internal controls and best practices are enforced, creates in the Section a sense of instability and results in inefficiency and ineffectiveness.	Limit on funds available to recruit adequate staff. Adequate staff positions do not exist.	Human Resources	Possible	Medium
	F(ii). Inadequate staffing resources limits ICT's capacity to support and maintain systems properly and hamper proper monitoring of application development and could result in inefficiencies.				Moderate Risk
	B(i). Lack of appropriate change management procedures and service management to correct problems as they are identified in systems support (LAN, Help desk, Internet/intranet) creates a morale problem and affects motivation of staff and results in inefficiencies.	Adopt industry best practices and IT training planned. Ensure standard application development guidelines are followed. No policy for system development exist.	Governance	Possible	Medium
					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
	<p>G(i). Training programmes and user procedures in implementation of new systems are not available for users as applications do not have source codes because they are developed by external consultants on request of users and without ICT involvement which may result in increased costs when systems are abandoned.</p> <p>G(ii). Physical security violation in computer room and IT Section could lead to deletion of data and result in disruption of operations and losses.</p> <p>G(iii). Failure in data backup-recovery process could lead to disruptions in operations and result in inefficiencies and losses to ECLAC.</p> <p>G(iv). Unauthorized access to applications and data could lead to accessing sensitive information by unauthorized persons, who could abuse it and result in negative reputation of ECLAC.</p> <p>G(v). Service may be unavailable to users due to virus attack which could lead to loss of important data and affect the continuity of ECLAC's work.</p>	Information Resources	Possible	High	Higher 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	
	<p>G (vi). Service unavailable due to virus attack could lead to loss of important data and continuity of ECLAC's work.</p> <p>G(vii). Incompatible information technology packages including IMIS, Databases, and Galaxy, which are not, interfaced result in inefficiencies.</p> <p>G(viii). ECLAC might not be adequately prepared for introduction of ERP by year 2010, as headquarters is not adequately consulting with ECLAC as a potential user and may result in disruptions in operations when change over occurs.</p> <p>G(ix). The system is not integrated between regional and sub regional offices and so may affect the efficiency in managing information, especially if staff move locations e.g. during the mobility program.</p> <p>G(x). High dependence on consultants to conduct work on behalf of ECLAC, however IMIS system is unable to track the use of these consultants. This may result in non compliance with UN policies and procedures.</p> <p>G(xi). No disaster recovery plan for IT related packages as region is prone to earthquakes, river overflows, which could destroy IT server and archived records.</p>						

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	
	E (i). Failure in the functioning of the ticket tracking system where users cannot log on their requests, leads to delays and inefficiencies.	Most of ECLAC's work relies on the internet, especially communicating with its member states, for which no proper alternative exist. Manual procedure would replace the ticket tracking system if it goes down.	Operational	Likely	Medium	Higher Risk	
	E (ii) Lengthy process of procurement actions with high threshold levels (US\$200,000 and above) requiring approval and coordination with NY headquarters, takes from 3 to 6 months, may increase costs to ECLAC, and also result in losses or lead to ineffectiveness and inefficiencies.						
	E(iii). No updates to applications and database catalogues and unavailability of adequate software and hardware resources could lead to failures in operating systems and also result in losses and inefficiencies.						
	E(iv). Outside telecommunications failure for both telephones and internet could result in disruptions and inefficiencies to ECLAC .						
	E(v). Failure of access to telecommunication enterprise resources from offices and also sub regional offices could lead to not being able to work with internet data shared in Santiago.						
	E(vi). The lack of a policy on system development at ECLAC has lead to users developing their own systems, whose applications cannot be supported, maintained or upgraded, which could disrupt operations as a result of losing information.						
	D(i). No financial resources to replace about 20% of computers that are out of date, that may use simple word and excel software applications could cause inefficiencies.	IT Infrastructure network is robust, Servers are replaced within recommended life cycle, Users are forced to use PCs as stand alone to restrict network for IMIS use.	Financial	Remote	Medium	Lower Risk	

6		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	
II	Information Services Unit					Possible	Medium	Moderate Risk
	A(i). The unit may suffer loss of institutional knowledge due to absence of an effective knowledge management strategy and plan to obtain and disseminate information for public consumption.	No strategy in place.	Strategy	Remote	Medium	Lower Risk		
	B(ii). Unit might suffer from lack of logistical cooperation from external users of the overall functioning of the ECLAC website and administration of its decentralized content management that could affect the reputation image of ECLAC.	Adopt industry best practices and IT training planned. Ensure standard application development guidelines are followed. No policy for system development exist.	Governance	Remote	Medium	Lower Risk		
	F(i). Inadequate training of staff members in Unit could lead to remaining behind in technological changes that could result in inefficiencies and a bad image reputation in region.	IT training not mandatory for staff members.	Human Resources	Possible	Medium	Moderate Risk		
	F(ii). Not having adequate staffing resources may cause public information dissemination to be late and become irrelevant if Unit is unable to respond on a timely basis.							
	E(i). There is no systematic checking of information being uploaded to the ECLAC web site, which may lead to incorrect information being given out to the public which may affect ECLAC's reputation.	The divisional heads check all information upload under their departments.	Operational	Possible	Medium	Moderate Risk		

Risk Assessment of : ECLAC JUNE 2007

No	Focus Area: Interview/Review Summary (Description of risk)	Programme and Project Management	PIOS Assessment	Risk Category	Likeli-hood	Possible	High	Higher Risk
1	Women and Development Unit B(i). Unclear or inadequate positioning of the Unit within ECLAC's organizational structure may lead to confusion within ECLAC regarding the Unit's role, lack of alignment of ECLAC with policies recommended to member countries and ultimately loss of programme credibility and effectiveness. B(ii). Many changes over the years in the Unit Chief's reporting relationship creates in the Unit a sense of instability and may result in some programme inefficiency and ineffectiveness. B(iii). Insufficiency of the Unit's budget and its structuring as a unit and not as a division (Unit Chief is not part of management group) may result in insufficient recognition of the importance of the programme within ECLAC's work, surcharge of the Unit and opportunities for mainstreaming the programme and in ECLAC's work being lost.	ECLAC management intends to put policies in place, including defining roles and responsibilities of the unit, which would establish the unit's budget. Management Committee was created to monitor management indicators, and any other related problems that hinder performance of units, sections and divisions and take remedial actions when needed.	Governance	Possible	Possible	Medium	Moderate Risk	
	A(i). Lack of a mechanism to integrate gender programmes in the Region may result in duplication of efforts and loss of ECLAC's relevance. A(ii). Absence of strong linkages with UN and other agencies working at the country level may result in ECLAC's regional programme being ineffective. A(iii). External risks (e.g., emergence of conservative political movements and their participation in government, weakening of the woman's movement in general e.g. violence and poverty) may halt the progress achieved so far. A(iv). Lack of a formal mechanism within ECLAC for managing the risks associated with this programme may lead to weak identification of objectives and implementation of an inadequate strategy.	ECLAC is instrumental to reverse these trends through the network of Ministers; increasing participation of civil society (NGOs, indigenous groups) in conferences organized by ECLAC.	Strategy	Possible	High	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
	E(i). Lack of a mechanism to systematically incorporate gender issues in the other substantive divisions' activities may lead to non-attainment of gender mainstreaming objectives. E(ii). Weak information technology results in the inability to share information among units and divisions.	Some divisions such as Economics, Trade have no gender balance incorporated in their programmes of work, no planning strategy in PPOD. Others such as Planning, Statistics and Population try to incorporate women affairs work in the relevant programmes.	Operational	Possible	Medium	Moderate Risk
	F(i). Inadequate staffing to conduct work may lead to underperformance of the unit.	Entire structure and staffing of the unit is being looked at by management.	Human Resources	Possible	Medium	Moderate Risk

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
II Management (DPPM)	Division of Production, Productivity and Management (DPPM) B(i). 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 environmental changes. B(ii). The work programme may lose its usefulness as a management tool because of excessive in-built flexibility and because it lags behind activities actually carried out by the Division. B(iii). In the absence of a reliable programme planning system, the work programme may not be relevant.	Contingent arrangements are built in work programme and budget to allow flexibility. The Division is the depository for information on the region; information is validated through network contacts; the Division invests in databases, is close to research communities, has close relations with governments, is present in relevant forum to test research results. The Division has discussed its strategic focus three years ago (golden triangle) to manage this risk and envisages a similar discussion in the near future.	Governance	Possible	Medium	Moderate Risk	
	F(i). UN mobility programme may create loss of specialized knowledge and inefficiencies in HR management; and may also result in ECLAC's member countries identifying less with ECLAC because its staff does not originate from the Region. F(ii). Necessity to use short term staff resources may result in interruptions in the delivery of specialized statistical outputs (databases supporting subprograms) because of contractual restrictions imposed by UN rules. F(iii). Specialization of substantive staff may lead to the Division and/or the staff forcing a demand for the specialized services, which can result in loss of programme relevance. F(iv). Changes in the priorities of the region, governments, competition, or the donor countries may affect the skill set requirements, qualification and flexibility of staff.	Temporary staff on an interim basis is used. Training programmes organized by Human Resources Section. Work closely with academia and policy makers of the governments both of the region and the donors. Management Committee was created to monitor management indicators, and any other related problems that hinder performance and take remedial actions when needed.	Human Resources	Possible	High	Higher Risk	
	D(i). Activities predominantly supported from extra budgetary resources may render ECLAC's programme vulnerable to donor policy changes.	Division relies heavily on donor funding for substantive work. Contingencies built into the budget to cater to needs that may arise.	Financial	Possible	High	Higher Risk	

No	Focus Area: Interview/Review Summary (Description of risk)	Programme and Project Management		Risk Category	Likeli-hood	Impact	Overall Risk	Higher Risk
		Possible	High					
7	A(i). ECLAC's work programme may focus on specific countries in the region to the detriment of others.	No specific management tool or requirement to ensure work programme is spread over the region.	Audit trail is kept as there is no segregation of duties. Use of simpler UN template used in in-house publications.	Strategy	Possible	High	Higher Risk	
	E(i). Administrative (e.g., travel) and programme monitoring procedures (MDIS) may be cumbersome and ineffective resulting in waste of substantive resources. E(ii). The division may publish more in-house publication as a result of it being cheaper and quicker, however this may result in publications outside of the UN's regulations. E(iii). The necessary information needed to conduct the substantive work may not come to ECLAC e.g. statistics etc. E(iv). ECLAC does not remain close to new emerging issues in the world such as new innovations and trade (biotechnology, bio-fuels and climate changes) and thus may result in not being able to advise on these new emerging areas.	ECLAC invests in quality data and remains close to the research community, the relevant forums and maintains a relationship with the governments of the region.	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	
III Economic Development Division (EDD)	<p>ECLAC is the only organization of the UN system specializing in Latin America; Has strong ties with individual member countries.</p> <p>A(i). External factor: lack of stability of governments in the Region may lead to programme ineffectiveness and waste of resources.</p> <p>A(ii). ECLAC may duplicate the work of other organizations in the UN or the Region, creating programme ineffectiveness and waste of resources.</p> <p>E(i). Delays in releasing of flagship reports may lead to damage to the reputation of ECLAC and loss of interest from countries, the press and research institutions.</p> <p>E(ii). Insufficient quality of national data may affect the outputs of the Division.</p> <p>E(iii). Projects may be accepted for which no specialization exist within ECLAC.</p> <p>E(iv). Countries may lose interest in ECLAC, if ECLAC cannot assist them and meet the demand for technical assistance.</p> <p>E(v). ECLAC's outputs may be misused by consultants or consultants may deliver sub-standard quality products.</p>	Strategy	Possible	Medium	High	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
7	<p>F(i). Lack of technically competent staff with sufficient knowledge of the country may result in less quality in policy advice.</p> <p>F(ii). Excessive reliance on individual staff members to raise extra budgetary funds may lead to losing access to funds when staff changes.</p> <p>F(iii). UN mobility programme may create loss of specialized knowledge and inefficiencies in HR management; and may also result in ECLAC's member countries identifying less with ECLAC because of cultural mismatch.</p> <p>F(iv). Staff who are not familiar or from the region may create cultural and language barriers.</p>	<p>Excellent staff and strong recruitment process with regional representation. Initial presentation of projects may be done at the divisional level however, monitoring and reporting of funds is done in the Program Division.</p>	Human Resources	Likely	High	Higher Risk
	B(i). 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 environmental changes.	Contingent arrangements are built in work programme and budget to allow flexibility.	Governance	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	Population Division - CELADE								
	D(i). Loss in extra budgetary funding may drastically affect CELADE's regular programme of work and member countries' expectations as XB projects allowed in-depth activities and a wide coverage of the Region.	Relationship with UNFPA is getting better; External evaluation of CELADE as part of UNFPA. CELADE is pro-active in order to avoid risks: programme of work is aligned to UNFPA's needs; CELADE reflected on its role and what are the issues coming up. Pillars are population census and estimates, differences between countries are emphasized. There is also a renewed interest in medium and long-term planning and CELADE is picking up that issue. Two new publications are in the form of brochures disseminated through UNFPA county offices.	Financial	Possible	High	Higher Risk			
	D(ii). Loss in extra budgetary funding may weaken the links of ECLAC with the countries and of countries among themselves. (E.g., countries do not finance their own participation to intergovernmental meetings and the solution has been for UNFPA to finance the countries' participation directly).	D(iii). Extra-budgetary resources may be lost because of difficulties to enter into agreements with donors (e.g. when donor's procedures do not allow the establishment of a trust fund or the payment of programme support funds).							
	A(i). Coordination with DESA and UN agencies and harmonizing of MDGs' indicators, methodologies and tools are insufficient to allow CELADE to upload regional information directly into global reports.	The methodology and computer resources are being worked on.	Strategy	Possible	Medium	Moderate Risk			

No	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 termination of academic programmes (Master, PhD and four-month training courses) formerly funded by major donors (Canada, Netherland, UNFPA) may have created a serious gap in training of expert demographers in the Region and may weaken CELADE's links with national counterparts.</p> <p>E(ii). Member countries' trust in CELADE may decrease if their data are improperly reflected in UN global statistics or made accessible without authorization. Indicators may not be the same as the ones used at the national level or by other agencies such as DESA, World Bank etc.</p> <p>E(iii). CELADE's outputs have limited dissemination and impact because they are not accessible in languages other than Spanish; may result in ECLAC not having the recognition it deserves from the international community; may result in duplicative work.</p>	<p>Training of national counterparts; workshops to disseminate knowledge and build networks; new training modalities such as internship and fellowship; close working relations with research centers. Population projections done jointly with national counterparts; access to country micro data to third parties only, with country's written authorization.</p> <p>Documents related to the on-line population census data (largest census databank in the world) will be translated in English. Certification is done jointly with UNFPA, independent consultants and USA experts; work also with National Statistical Offices; conditions in which the job is done is explained (disclaimer).</p> <p>Divisions closely supervise work of consultants Retirees may be used to analyze and interpret data.</p> <p>Workshops, discussions, networking and training held. Fellowships and internships to be used as training.</p>	Operational	Possible	High	Higher Risk

Focus Area:		Programme and Project Management		High		Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk	
7	E(iv). The IDB condition that national census should be "certified" by CELADE may over-expose the Commission to complaints by member countries or loss of reputation. E(v). Long-term projects may be impeded due to time limitations in employment of consultant. E(vi). Consultant work may be sub-standard resulting in waste of financial and staff resources. E(vii). Information and data may be produced that no regional person may be able to analyze or interpret as shortage of trained experts in the field of demography. E(viii). Losing population estimates and projections in the database may result in ECLAC not having data to work with.						
	B(i). ECLAC relies and works with the regional countries. If the countries lose trust in ECLAC the relationship will be lost.	No access given of the database to 3rd parties to ensure the safety of the database. Training provided to the countries so now able to disseminate their own data.	Governance	Remote	High	Moderate Risk	
	F(i). Hiring of bad consultants to conduct work or research may result in poor results or mediocre work. The work may have to be redone resulting in additional cost.	Close community of experts in the region, therefore consultants are known by their work.	Human Resources	Possible	Medium	Moderate Risk	

Focus Area:		Programme and Project Management			Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment		Risk Category	Possible	High
V	Sustainable Development and Human Settlements Division (SDHSD)			Likeli-hood	Impact	Overall Risk
	A(i). External factors: lack of stability of governments in the Region may lead to programme ineffectiveness and waste of resources.	Every two years SDHSD in a planning exercise classifies other ECLAC's divisions and external agencies into allies and competitors. World Bank has a short-term approach while ECLAC offers training, sharing of experiences, policies discussion in appropriate forum. Countries in the Region would trust ECLAC more than the WB.	Strategy	Possible	High	Higher Risk
	A(ii). Insufficient capacity of countries to incorporate multidimensional aspects of socio-development in social policies may create in the short-term the lack of a market for SDHSD's outputs.	A(iii). SDHSD may not know its competitors, which may result in programme planning being ineffective. SDHSD may lag behind institutions such as the World Bank that have significantly more resources to address environmental issues, on the other hand SDHSD may overlap with the World Bank.				
	A(iv). The bigger picture of sustainable development may be lost if the regional focus is excessive.	B(i). Coordination among divisions may be lacking, resulting in impossibility for SDHSD to incorporate all socio-economic dimensions in environmental issues, resulting in different divisions having only a partial view of issues and so arriving at the wrong conclusions and delivering the wrong message.	Governance	Possible	Medium	Moderate Risk
	B(ii). Sub-regional offices may be perceived by ECLAC headquarters as remote and their work marginalized. Conversely, they may be protective of their assigned areas and not being able to cope with the workload. The current ECLAC structure may be ineffective in terms of internal coordination and programme management.					

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). The need to rely on qualitative analysis of policies in the Region and the difficulty to link "hard" economic variables to "soft" environment variables, with a language which is not yet fully integrated.	Strong networking; caution in developing and formulating subject matter information.		Operational	Possible	High	Higher Risk	
	E(ii). Timeliness of producing analysis and quickly fill the gap as use of information has a short life. If not produced timely it may lose its relevance.							
	D(i). SDHSD (as a new field) may be at a disadvantage in resource allocated due to the fact that ECLAC managers responsible for the budget would tend to minimize risks and prefer established fields.	No risk of losing interest with the subject matter.		Financial	Possible	Medium	Moderate Risk	
	D(ii). Country meetings and research activities may not be conducted due to lack of XB funding resulting in lesser impact of the programme.							
	D(iii). Extra budgetary funding for ECLAC as a whole may decline steadily because Latin America as an intermediate level of development is going out of donor interest.							
	F(i). Failure to keep abreast to new and relevant new school of thought may result in the division being out of date with its programs.	Link with universities researches, attend individual training, sabbatical leave or link with other international bodies.		Human Resources	Possible	High	Higher Risk	

Focus Area:		Programme and Project Management		Higher Risk	
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Possible	High
			Likeli-hood	Impact	Overall Risk
7	Latin American & Caribbean Institute for Economic and Social Planning (LACIESP)	ILPES accountable in ECLAC: Activity Report; training results. Contact with Govt through meetings. The programme is discussed with Governments in Regional Council for Planning (every 4 years), Meeting of Presiding Officers (every year). Directors' meeting is the forum to eliminate potential duplications. Effort to work with the universities as against competing with them in conducting seminars and training programs.	Operational	Possible	Moderate Risk
VI	E(i). ILPES training programme's effectiveness may be insufficiently monitored leading to loss of focus and effectiveness. E(ii). Governments may not request training activities if the programme is not demand-oriented. E(iii). There may be duplications with other Divisions working on planning issues or undertaking training activities. E(iv). Training programs may be expanded so as to increase output, at the risk of downgrading quality of the product. E(v). If ECLAC do not have participation from Govt, universities etc in its training programs, this may result in them being unable to create and build awareness among the ECLAC countries and the ability to share and learn from experiences.			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	A(i). Dependency on a few number of major contributing countries may lead to loss of programme impact for the Region as a whole, since training activities are conducted principally in those countries.	The strategy is to achieve the broadest coverage. Opportunities for training and combining training and technical assistance through e-learning will allow broader coverage and impact, with no detriment to research and TCP. Some important documents are translated in English (Manual, Logical Framework, etc.) Frequent discussions with the ES; Director of Division delegated responsibility to represent ECLAC for the Government of Bolivia.	Strategy	Likely	High	Higher Risk	
	A(ii). Opportunities to develop the programme may not be taken advantage of because of the Division management's preference for financial stability. (Most posts are funded from XB and reserves are made to assure continuing funding for these posts).						
	A(iii). Training activities may increasingly dominate over research and TCP activities of the Division.						
	A(iv). There may be a language barrier for non-Spanish speaking countries of the Region to benefit from the Division's activities.						
	A(v). The Division may not have similar training programs at the regional office level as that conducted in Santiago and therefore may be seen as giving little support for the sub regional offices.						
	B(i). The amount and regularity of Governments' contributions may be a indicator of programme ineffectiveness or lack of interest.	Contribution assessed according to UN rules. While some countries (6) contribute regularly others are always in arrears. Support however given to countries despite being in arrears.	Governance	Possible	Medium	Moderate Risk	
	D(i). Programme support costs may not be used efficiently and effectively to support the Division.	PPOD's evaluation and monitoring unit conduct assessments and issue corrective recommendations. Contributions by governments are tracked and followed up if in arrears. Fees mainly paid by other UN agencies or funding agencies.	Financial	Possible	High	Higher Risk	
	D(ii). Govt. may be unable to contribute to extra budgetary activity and so lack of funding for programmes may occur.						
	F(i). Insufficient staffing to conduct programs may result in some programmes not being undertaken.	Collaboration with other divisions to act as trainers in courses. Support also given and received from other areas. E-learning introduced.	Human Resources	Possible	Medium	Moderate Risk	

Focus Area:		Programme and Project Management			Higher Risk		
No	Interview/Review Summary (Description of risk)	OIOS Assessment		Risk Category	Likeli-hood	Impact	Overall Risk
VII	International Trade and Integration Division (ITID)				Possible	High	Higher Risk
	A(i). ECLAC may not be sufficiently exploiting ITID's competitive advantage in the Region - (Lending institutions very active in this area, may exert pressure to have their ideas adopted by Governments, ECLAC's ideas may not be accepted). A(ii). External factors: political risks with countries of varying/opposing policies. A(iii). ECLAC may not be able to maintain its capacity as a think tank to generate new ideas to member countries. This may result in ECLAC losing its relevance.	More consensus with the Banks (WB, IMF, IDB) is being developed; ECLAC provides the Governments with policy options; Governments tend to prefer ECLAC because of dissatisfaction with outcome of development reforms imposed by lending institutions; ECLAC's distinctive advantage is better access to information from policymakers, private sector, civil society, etc. Bridging gaps for integration is a programme objective.	Strategy	Possible	High	Higher Risk	
	B(i). ECLAC may lose its independence (with regard to its general orientation and position) in attempting to attract XB funding B(ii). There may be insufficient goal congruence at the ECLAC level.	Independence is considered an asset of research; ECLAC wants to maintain its identity; ECLAC works within the UN framework. Directors' meeting assures mainstream of thinking; the ES reviews all flagship reports to ensure ECLAC's position is consistent and appropriate.	Governance	Possible	High	Higher Risk	
	E(i). The inability to abide by administrative controls and programme monitoring requirements may result in certain major UN contributors lacking trust in UN. E(ii). The likelihood of competing with other agencies e.g. IDB, OCD which have huge resources will result in ECLAC losing some of its regional influence as the countries may go to these other lending institutions for resources, at which time they may require compliance with institutional policies that are conflicting with ECLAC's policy advice. E(iii). Lack of relevant information coming from certain countries in the region will limit the scope of ECLAC's work.	PPOD's evaluation and monitoring unit to conduct Operational assessments and recommend appropriate corrective actions. Work closely with other lending institutions and the govts to ensure coordination of work and consensus of views. Scope of work may be different.	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	C(i). ECLAC may be exposed to conflict of interest situations and lose the trust of member countries if its staff is involved in activities (e.g., advising on trade agreements negotiation) affecting their country of origin.	Conflict of interest policy exists: General Procedures; UN views are the ones advocated by ECLAC.		Compliance	Possible	High	Higher Risk	
	C(ii). Headquarters may develop UN-wide policies and initiate reforms without sufficient understanding of the reality of Economic Commissions. e.g., mobility programme.							
	D(i). ITID may lose relevance and interest of member countries if resources constraints preclude it from addressing emerging issues, such as info-trade and trade facilitation.	PPOD's evaluation and monitoring unit to conduct assessments and recommend appropriate corrective actions Negotiation undertaken with governments for different funding.	Financial	Possible	Medium	Moderate Risk		
	D(ii). Lack of funding to conduct the division's programme of work may result in the division being unable to fulfill its mandate.							
	D(iii). Restrictions placed by donors as to what use their funds are to be put to, may restrict the work of ECLAC.							
	G(i). Experience from Caribbean sub-region may not be widely disseminated to other parts of the Region because of language barriers.	Flagships include a section on CARICOM.	Information Resources	Possible	High	Higher Risk		
	F(i). Shortage of staff within the division will result in the program of work of the division not being conducted timely.	Recruitment of staff in progress for regularized posts. Work with other agencies, consultants or institutions who have the expertise.	Human Resources	Possible	Medium	Moderate Risk		
	F(ii). Lack of technical expertise to support programmes and government requests.							
	F(iii). UN mobility programme may create loss of specialized knowledge and inefficiencies in HR management, and may also result in ECLAC's member countries identifying less with ECLAC because of cultural mismatch.							

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	
VII	Statistics and Economics Projection Division (SEPD)			Governance	Possible	Medium	Moderate Risk	
	B(i). 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 environmental changes.	Contingent arrangements are built in work programme and budget to allow flexibility.			Possible	High	Higher Risk	
	A(i). External factors: lack of stability of governments in the Region may lead to programme ineffectiveness and waste of resources.	Some important documents are translated in English. (Manual, Logical Framework, etc.)	Strategy	Possible	High	Higher Risk		
	A(ii). Countries may lose interest in ECLAC if ECLAC cannot assist them and meet the demand for technical assistance.							
	A(iii). There may a language barrier for non-Spanish speaking countries of the Region to benefit from the Division's activities.							
	F(i). UN mobility programme may create loss of specialized knowledge and inefficiencies in HR management; and may also result in ECLAC's member countries identifying less with ECLAC because its staff does not originate from the Region.	The use of temporary staff on an interim basis and training programmes organized by Human Resources Section. Caribbean sub regional office recruited a statistician. External funding provided to assist with training.	Human Resources	Possible	High	Higher Risk		
	F(ii). Lack of technically competent staff with sufficient knowledge of the country may result in less quality in policy advice and the inability to provide sufficient training programs.							
	F(iii). Lack of experienced statistician at the sub regional offices may result in little or no statistical data being produced by these offices.							
	F(iv). Lack of sufficient funding to conduct staff training may result in staff members not being kept up to date with the latest development and methodologies in their field.							

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). Insufficient quality and quantity of national data or information on regional policies may affect the outputs of the Divisions ability to make comparison of the region.	Peer reviews by IDB, IMF, networks in countries; feedback from press, authorities and on-line survey, disclaimer. Peer reviews by IDB, IMF, networks in countries; feedback from press, authorities and on-line survey, disclaimer. Data is assessed before used and is only used from reputable sources e.g., National statistical offices, Central banks and Statistical office of NY. Working groups may pay for selected number of technicians or subsidize countries with less resources.	Operational	Possible	High	Higher Risk	
	E(ii). Administrative (e.g. travel) and programme monitoring procedures (IMDIS) may be cumbersome and ineffective resulting in waste of substantive resources.	Documentation as to the policy and methodology used to produce forecast.					
	E(iii). Projects may be accepted for which no specialization exist within ECLAC.	Online data provided to countries.					
	E(iv). The division may use incorrect data to make assessments or in their publications, which could result in publication of faulty information that could result in the loss of the reputation of ECLAC.						
	E(v). Countries inability to send representatives to workshops and training programs as a result of lack of funds may hinder the work of ECLAC. Without this training countries will not be able to provide the quality data that ECLAC requires to conduct its work.						
	E(vi). Delays and relevance in publications to the region may result in data being irrelevant.						
	E(vii). Work of the division may be duplicated by other agencies such as the IDB who may process their own data so producing different forecasts or projections which may be different from ECLACs.						

Focus Area:		Programme and Project Management		Possible	High	Higher Risk
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7	<p>G(i), Compromise in the integrity of the database containing statistical information may result in a high reputation risk to ECLAC.</p> <p>G(ii). Lack of an integrated database within the regional office and sub regional offices may result in duplication of resources and efforts.</p> <p>G(iii). Information contained in the flagship publications being leaked to the public before publication or press conference may result in loss in the integrity of the data and ECLAC as an institution.</p> <p>D(i). Projects developed may not be implemented due to lack of funding.</p>	<p>Use of the database restricted to authorized persons and does not include 3rd parties. Database is being developed at the sub regional offices.</p> <p>Publications are kept secure until published e.g. very few persons have access to this information, the system is closed and controlled with checks and balances in place.</p> <p>Projects are developed first and then funding is normally sourced from donors.</p>	Information 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	
IX	Social Development Division (SDD)	The use of temporary staff on an interim basis and training programmes organized by Human Resources Section.	Human Resources	Possible	High	Moderate Risk	
	F(i). UN mobility programme may create loss of specialized knowledge and inefficiencies in HR management (takes about 2 to 3 years to develop); and may also result in ECLAC's member countries identifying less with ECLAC because its staff does not originate from the Region. F(ii). Not keeping abreast of current issues in the field through research or training may result in ECLAC not being able to respond to emerging issues in the region. B(ii). 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. B(ii). Lose of legitimacy and demand among the national governments and NGO's may result in ECLAC losing relevance.	Contingent arrangements are built in work programme and budget to allow flexibility. Close ties with the national governments through correspondences and meetings.	Governance	Possible	Medium	Moderate Risk	

Focus Area:		Programme and Project Management				Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	QIOS Assessment		Risk Category	Likeli-hood	Impact	Overall Risk	
7	E(i). Administrative (e.g. travel) and programme monitoring procedures (IMIS) may be cumbersome and ineffective in that feed back of analysis not received by the users. E(ii). Insufficient quality of national data may affect the outputs of SDD and result in losing credibility. E(iii). Loss of capacity to evaluate the impact on country policies and programs and not being aware of what is taking place at the country level, may result in ECLAC not being able to conduct social development programmes. E(iv). ECLAC being unable to provide a focal point for regional activities such as disabled or road safety may result in being unable to accomplish millennium goals. E(v). Loss of social diagnostics, relevant indicators and analysis for the Caribbean region may result in the loss of relevance of ECLAC to that region. English speaking Caribbean mainly seen as users of data.	System allows users to retrieve analysis of administrative data. Training on data collection and record management given. Close relationship with different countries and institutions.	Operational	Likely	Medium		Higher Risk	
	D(i). Loss in extra budgetary funding may weaken the links of ECLAC with the countries and of countries among themselves. D(ii). Lack of funds for governments to fund their own technical assistance request may result in ECLAC being unable to undertake the requests.	An adequate fund raising strategy in place to help raise additional XB funds. ECLAC acts as advisory group or send staff to do the work despite lack of funds. Poorer countries may use other agencies to fund while ECLAC conducts the work.	Financial	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	A(i). External factors: Changes in the governments or policy makers of the regional countries may result in changes in the technical requests being made on ECLAC to which ECLAC may not be able to respond to appropriately. Political risks with countries of varying/opposing policies.	Management Committee was created to monitor management indicators, and any other related problems that hinder performance and take remedial actions when needed. Caribbean seen as a different environment to which the skill set is not yet developed to serve.	Strategy	Likely	Medium	Medium	Higher Risk	
	A(ii). External factors: lack of stability of governments in the Region may lead to programme ineffectiveness and waste of resources.							
	A(iii). Insufficient capacity of countries in region to incorporate multidimensional aspects of socio-development in social policies, could create in the short-term the lack of a market for SDD's programme outputs.							
	A(iv). There may be a language barrier for non-Spanish speaking countries of the Region to benefit from the Division's activities.							
	A(v). ECLAC's regional office on Social Development and Equity may concentrate its resources and programs only in the Latin American region, with limited work done in the Caribbean, resulting in the regional office being seen as serving only apart of the region.							

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
	Natural Resources and Infrastructure Division (NRID)			Governance	Likely	Medium	Moderate Risk
X	B(i). Insufficiency of the NRID's staffing resources and its staffing structure may result in insufficient recognition of the importance of the programme within ECLAC and lead to not accomplishing mandate.	Management Committee was created to monitor management indicators, and any other related problems that hinder performance and take remedial actions when needed. However no back up resources for highly technical areas such as water, natural resources or energy.					
	E(i). Countries may lose interest in ECLAC if ECLAC cannot assist them and meet the demand for technical assistance.	Policy in place to control and manage press statements. Prioritize activity by subject area and only work on specified subject matter or use consultants.	Operational	Possible	High	Higher Risk	
	E(ii). Lack of adequate controls to effectively manage announcements in press or publicity in media could damage image of ECLAC resulting in loss of interest by countries.						
	E(iii). Intellectual quality of ECLAC's work may decrease as a result of attempting to meet the increased demands.						
	E(iv). Areas important to mandate may not be adequately addressed which may lead to none fulfillment of mandate e.g. road safety.						
	A(i). External factors: lack of stability of governments in the Region may lead to programme ineffectiveness and waste of resources.	Management Committee was created to monitor management indicators, and any other related problems that hinder performance and take remedial actions when needed.	Strategy	Possible	Medium	Moderate Risk	
	A(ii). Lack of expertise in this field at the sub regional offices may result in insufficient programs or assistance being conducted at the sub regional level.	ECLAC can use working groups that other organizations cannot replicate.					
	A(iii). Duplication of efforts by other agencies with ECLAC may result in waste of resources or different responses from other agencies to the same area of work.						

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	F(i). Lack of technically competent staff with sufficient knowledge of the country may result in less quality in policy advice.	Specialized training programmes organized by Human Resources Section to help Consultants may be used but work has to be closely supervised. Work with universities, colleges to conduct researches or visit countries or conduct training.	Human Resources	Possible	High	Higher Risk		
	F(ii). UN mobility programme may create loss of specialized knowledge and inefficiencies in HR management (takes about 2 to 3 years to develop); and may also result in ECLAC's member countries identifying less with ECLAC because its staff does not originate from the Region.							
	F(iii). Lack of adequate mechanisms for staff development and promotion policies, may create poor staff morale that could result in staff instability e.g. where vacant positions are filled with temporary staff or consultants instead of staff being promoted to these vacant positions.							
	F(iv). Shortage of staff in the unit may result in staff working long hours and weekends in order to complete objectives.							
	F(v). Insufficient time or resources to conduct researches and studies to enable ECLAC to properly provide technical assistance to countries.	Independence is considered an asset of research; Financial	Possible	Medium	Moderate Risk			
	D(i). ECLAC may lose its independence (with regard to its general orientation and position) in attempting to attract XB funding.	ECLAC wants to maintain its identity; ECLAC works within the UN framework.						
	G(i). Increase in demand by the press for staff or consultants with expertise in a subject matter or research e.g. bio fuel to express an opinion may result in opinions being not inline with ECLAC's philosophy or policy which may result in negative publicity.	Press office is consulted before press release or ES opinion received before making opinion.	Information Resources	Remote	Medium	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	
XI	Programme Planning and Operations Division (PPOD)				Likely	Medium	Higher Risk	
	D(i). Lack of adequate controls in certification process may result in funds not being used for intended programme purposes and affect non achievement of mandate.	Management Committee was created to monitor management indicators, and any other related problems that hinder performance and take remedial actions, when needed	Financial	Likely	High	Higher Risk		
	D(ii). Loss in extra budgetary funding may weaken the links of ECLAC with the countries and of countries among themselves.	6mths strategic discussions with directors on progress and actions to be taken. Yearly allocations received however period when 6 mths was received from NY.						
	D(iii). Fund raising strategy may not adequately address the growing demands made on ECLAC. If funds are not raised ECLAC may be unable to deliver most of the outputs specified and needed to keep its work relevant.							
	D(iv). Budget is not linked to the overall objective of the programmes and may result in funds not being available to produce the outputs expected.							
	D(v). Cash flows may become irregular and inadequate to fund the operations resulting in ECLAC's inability to cover its expenses.							
	B(i). 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.	Flexibility exists to modify content of programme outputs, every 6 months programme progress is reviewed with ES to prioritize activities.	Governance	Possible	Medium	Moderate Risk		
	B(ii). Headquarters may develop UN-wide policies and initiate reforms without sufficient understanding of the reality of Economic Commissions. E.g., mobility programme.							

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). Administrative (e.g., travel) and programme monitoring procedures (IMDIS) may be cumbersome and ineffective resulting in waste of substantive resources (systems not interfaced).	Management Committee was created to monitor management indicators, and any other related problems that hinder performance of units, sections and divisions and take remedial actions when needed.	Operational	Possible	Medium	Moderate Risk
	E(ii). Experience from Caribbean sub-region may not be widely disseminated to other parts of the Region because of language barriers.	Controls and balances, monitoring of spending certification of budget verses actual.				
	E(iii). Managers may overspend and not deliver what was required and so affect the credibility of ECLAC. This may result in donors refusing to give further funding.	An adequate fund raising strategy in place to help raise additional XB funds Possible UN integrated system soon.	Information Resources	Likely	Medium	Higher Risk
	G(i). Lack of an acquisition strategy for library materials may result in not streamlining and matching the needs of ECLAC that may result in lack of information for research and database for reference purposes.					
	G(ii). Different IT systems that are not fully integrated may result in inefficiencies and lack of timely relevant information. (IMIS and INDIS)					
	F(i). UN mobility programme may create loss of specialized knowledge and inefficiencies in HR management (takes about 2 to 3 years to develop); and may also result in ECLAC's member countries identifying less with ECLAC because its staff does not originate from the Region.	UN mobility policy require staff to move within specified period, however difficulty with complying.	Human Resources	Possible	High	Higher Risk
	A(i). No risk management tools in place could lead to ECLAC not adequately managing its risks.	Strategic plan and program planning used to monitor some forms of risks.	Strategy	Possible	High	Higher Risk
	A(ii). Loss of credibility, effectiveness and relevance if programs do not reflect mandate objectives.	Oversight by ES.				
		Program monitoring and evaluation to achieve objectives.				
		Programs taken to member states and incorporated into planning documentation and biennium reports.				

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). Divisions may not use the planning tools to change or adjust the work program, so as to make the work more relevant to the current period that work is to be undertaken and courses of action to be reported to the GA. This may result in manipulation of the budget and planning system. C(ii). Funds may be raised outside of ECLAC policy guideline and UN procedures.	Policy to review every 2 years and to change up to 1/3 of program in the year of implementation. Funds agreement signed by ES and given to project manager to be monitored.	Compliance	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		
XII America	Sub regional activities in Mexico and Central America								
	A(i). Sub regional offices that carry out multidisciplinary work towards ECLAC's overall mandate are faced with the risk of not staying relevant and meeting demands of regional countries with the constraint of using a UN framework as work programme is prepared 4 years in advance.	Current policy enables 1/3 work program to be changed at the beginning of the year.		Strategy	Likely	High	Higher Risk		
	B(i). The donors interest to fund specific initiatives in the region, crowds out ECLAC's work, in addition, low fee rates offered by ECLAC to the consultants could result in ECLAC's work being irrelevant, of low quality, and could affect reputation.	Use results based budgeting management process for monitoring and managing, greater decision making and accountability procedures.		Governance	Possible	Medium	Moderate Risk		
	B(ii). Absence of strong linkages with UN and other agencies working at the country level may result in ECLAC's regional programme being ineffective.								
	B(iii). Sub regional programs may not be in line with emerging issues in the region, thus making their work irrelevant.								
	F(i). The high vacancy rates at the sub regional office could lead to work programme not being achieved and may result in inefficiencies due to poor staff morale and lack of motivation.	Use short term staff and consultancy expertise. Recruitment process now in place.	Human Resources	Possible	High	Higher Risk			
	F(ii). The high demand for technical assistance by countries in the sub region could result in loss of relevance due to lack of expertise.								
	F(iii). The UN mobility programme may create loss of specialized knowledge and inefficiencies in human resources management and may cause poor morale and lack of motivation among staff members and may result in low productivity and inefficiencies in ECLAC work programmes.								
	F(iv). Low numbers of technical staff may result in the low production of technical work and inability to replicate the work similar to that done at the regional office. (Appx. Total staff 75/ App. Technical staff 20)								

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
	G(i). IMIS may not have good reporting capabilities which may result in bad management decisions.	IMIS system to be addressed by UN.	Information Resources	Possible	Medium	Moderate Risk
	G(ii). Managers may not be up to date with use of technology so reducing the production level of the office.					
	E(i). Not being able to conduct meetings and seminars to discuss fiscal policies and economic funds will result in the offices being unable to keep abreast of knowledge and the inability to present their own work.	Yearly meetings.	Operational	Possible	High	Higher Risk

No	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
XIII	Sub regional activities in the Caribbean	Current policy enables 1/3 work program to be changed at the beginning of the year . Employ staff who are familiar with the countries in the region.	Strategy	Likely	Medium	Higher Risk
	A(i). The risk of the region having diversified economic and social conditions could prevent a common approach in analyzing research activities specific to each country which could be time consuming and costly.	Monthly senior management meetings and monthly programme staff meetings. Use of a Programme, planning/management/evaluation system.	Possible	Likely	Medium	Moderate Risk
	A(ii). A multidisciplinary work towards ECLAC's overall mandate, staying relevant and meeting demands of regional countries, but is however operating within the constraint of using a UN framework as work programme prepared 4 years in advance.					
	D(i). Donors' perception that the Caribbean is not among the most needy countries compared to other regions, due to unawareness of real problems (food, security, escalating crime and violence, lack of equity in resources distribution) results in lack of interest and inadequate XB funding.	More effective budgeting process that responds to actual needs used.	Financial	Likely	Medium	Higher Risk
	D(ii). Limited budget resources to cover the mandate will lead to inadequate coverage of countries, as very expensive to travel between countries in the Caribbean and cost in general of doing business in the Caribbean has grown substantially over the years.					

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 lack of standardization and/or availability of economic-social data in governments, results in costly or no data collection methods.</p> <p>E(ii). Restrictions to travel to some countries results in difficulties in managing processes and could result in higher costs.</p> <p>E(iii). Rigidities in budget redeployment subject to clearance with UN headquarters leads to non completion of regular work programme and lack of performance for ECLAC.</p> <p>E(iv). The difficulties with governmental legal constraints of not allowing publication of household surveys data results, as no information being available for most countries.</p> <p>E(v). Lack of proper quality control and dissemination of work as a result of no editor in office, may result in substandard work.</p> <p>E(vi). The low cost of fees paid to consultants in the region results in the inability to secure good consultant with the required expertise.</p>	Limited Technical assistance given to improve data gathering. Work is sent to Santiago for editing.	Operational	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	F(i). The high rate of technical assistance requests to attend to immediate needs of countries in the sub region, jeopardize completion of regular work programme and could result in loss of relevance.	Use results based budgeting management process for monitoring and managing, greater decision making and accountability procedures. Temporary staff used to fill the gap of vacant post until recruitment process completed.	Human Resources	Possible	High			Higher Risk			
	F(ii). ECLAC's headquarters may not be able to offer expertise to the sub regional office because of language barrier, which results in office not being able to respond to demands of governments.										
	F(iii). Inadequate staff resources plus high vacancy rate (4 P4, 1P3 and 1G) leads to non accomplishment of work objectives and could result in inefficiencies.										
	F(iv). The limited labor pool of available expertise and temporary assistance are not readily available, especially during economic boom that leads to low quality work delivered by consultants and results in high costs to ECLAC.										
	F(vi). Mobility program will be difficult to introduce because of the office size.										
	F(vii). Timeliness and length of time taken to recruit staff for the office results in disruptions in the office programs. (average 2 years to recruit)										
	F(viii). Low technical staff numbers (16) may result in the low production of technical work and inability to replicate the work similar to that done at the regional offices. (Appx. total staff 56) Appx. technical staff (16)										

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	National office at Bogota	Funds are kept in US\$.	Financial	Possible	Low	Lower Risk
	D(i). Appreciation of local currency relative to fixed budget in US dollars leads to reduced real amount of money to spend and could result in non completion of work programmes.	Consultation done with other agencies.	Governance	Likely	High	Higher Risk
	B(i). Different conclusions by other agency experts, on technical issues in countries leads to governments not accepting relevancy of ECLAC work programme.	Very small staff in relation to work program. However Santiago monitors work and will assist with expert advise on programs.	Human Resources	Possible	Low	Lower Risk
	F(i). Inadequate staff resources lead to non accomplishment of work objectives and could result in inefficiencies and high costs to ECLAC.					

Risk Assessment of: ECLAC JUNE 2007

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
	Documents and Publications Division	Compliance	Possible	Medium	Moderate Risk
I	C(i). Work Programme of Division not established and approved, which could lead to not fulfilling mandate as defined in ST/SGB/2000/5 resulting in inefficient use of resources.	No work program established however, work is done using other Divisions programme as guidelines.			
	E(i). Lack of mechanism to monitor if work programme objectives are being met in the publications of documents could result in inefficiencies.	Policy exist as to the publication of flagship and books however, no need to use division to produce other documents. Publications normally note disclaimers.	Operational	Possible	Moderate Risk
	E(ii). High demand of publications causes delays in the production of publication of documents, that could lead to not using division, which could result in inefficiencies and resources being under utilized.	Documents are prepared within the UN guidelines. Contracts are issued when consultants are used, rules and policies and procedures are followed, reference checks, computer checks, and guidelines for use of reference materials are issued.			
	E(iii). Risk of copyright protection being abused that could result in bad reputation of ECLAC, legal claims, etc.				
	E(iv). Risk of not knowing the departments requirements before hand results in the department not being able to adequately prepare for its work load.				
	E(v). Compromising of the quality of the flag ship publications due to poor editing may lead to loss in reputation of ECLAC.				

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
	D(i). Inadequate budget support mechanism for funding, may lead to poor planning and results in objectives of Division not being fulfilled and in lack of funding. D(ii). Costly documents may be produced that are not used by the region so resulting in waste of resources.	Historical data is used to prepare department's budget. Unit has outsourced aspects of the work so as to be within the budget allocation. Publications are normally produced based on a needs basis and monitoring is done of the use of these publications by online hits etc.	Financial	Possible	Medium	Moderate Risk
	F(i). Inadequate training of staff members in DPD that could lead to falling behind in technological changes that could result in inefficient use of resources. F(ii). Lack of adequate staffing resources that may lead to inefficient and ineffective operations of Division.	Policy exist as to the publication of flagship and books, however, no need to use Division to produce other documents. Publications normally note disclaimers. Documents are prepared within the UN guidelines.	Human Resources	Likely	Medium	Higher Risk
	G(i). ECLAC may not adequately assess the needs of the Division and so will be unable to determine the equipment or skill set needs or to determine if outsourcing is necessary, resulting in operational inefficiencies.	The Division works with procurement NY in assessing the Divisions' needs.	Information Resources	Remote	Medium	Lower Risk

Risk Assessment of: ECLAC JUNE 2007

No	Focus Area:	Property and Facilities Management	Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Impact	Overall Risk
	Facilities Unit		Likeli-hood	Possible	Moderate Risk
I	F(i). Lack of adequate staff resources could lead to not properly checking to ensure proper standards of infrastructure are kept and could lead to collapse of infrastructure during a natural disaster resulting in loss of property and lives.	Building abides by the earthquake standards however, maintenance of the building should be ongoing.	Human Resources	Possible	Low
	B(i). Natural calamities such as earthquakes, flooding river may create the need for a higher frequency of upgrading or improvement of facilities and increase cost to ECLAC.	ECLAC is in an earthquake zone with earthquakes occurring. This resulted in the walk way collapsing and the nearby river flooding the basement once.	Governance	Possible	Medium
	D(i). Delays in approving allotments causes delays in construction projects and results in higher costs to ECLAC.	Allotments and budgets are approved as per UN regulations.	Financial	Possible	Medium
	D(ii). Budget reductions could lead to not properly and adequately maintaining infrastructure and could result in collapse of facilities, which could risk staff members lives.				
	E(i). Inventory could go missing when paper work is not processed on a timely basis and could lead to losses.	Inventory went missing, however, was due to non completion of paper work. Inventory register maintained.	Operational	Possible	Low

Risk Assessment of: ECLAC JUNE 2007

Focus Area:		Safety and Security		OIOS Assessment		Risk Category	Possible Likelihood	Impact	Overall Risk	Moderate Risk
No	Interview/Review Summary (Description of risk)	Possible	Medium	Possible	Medium	Governance	Possible	Medium	Moderate Risk	
1	Security Unit									
	B(i). Unclear reporting line arrangements to the Executive Secretary and Division of Administration with regard to substantive and administrative services could lead to confusion within ECLAC regarding the Section's role and may create in the Section a sense of instability which may result in inefficiency and ineffectiveness.	Section conducted a risk assessment and identified threats ECLAC is confronted with. Department have had numerous changes in reporting structure over the years with the most recent being in January 2007. Now report to the Administration Div. Previously they reported to the Executive Office.								
	B(ii). The low security rate of the region, with minimal security concerns may result in lack of awareness of security and safety measures by staff members. External factors-natural disasters such as earthquakes, and river flooding could result in loss of life and property and disruption of operations at ECLAC.									
	F(i). Lack of security staff defense mechanism affects motivation and causes low morale that could affect productivity, increase inefficiency and limit scope of movement within the UN.	The policy of the country states that security staff are not allowed to be armed.								
	E(i). If Security Plan is not rehearsed, this could result in loss of life and property and disruption of operations in case of emergencies.	Security plan in place but is not rehearsed. Section conducted a risk assessment and identified threats ECLAC is confronted with. Sub-regional offices are in charge of their own security.								
	E(ii). Inadequate arrangements for security and safety of staff members in Sub-regional offices (SRO) due to lack of support from ECLAC Headquarters could result in loss of life and property and disruption of operations.	Operational	Possible	High	Higher Risk					

10		Focus Area:	Safety and Security	Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
	D(i). High budget allocation of Security unit may cause resentment among other staff members.	Allocation received from DSS NY and outside of ECLAC decisions.	Financial	Likely	Low	Moderate Risk

Focus Areas

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

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

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

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

Risk Categories

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

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

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

Risk Assessment Ratings

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

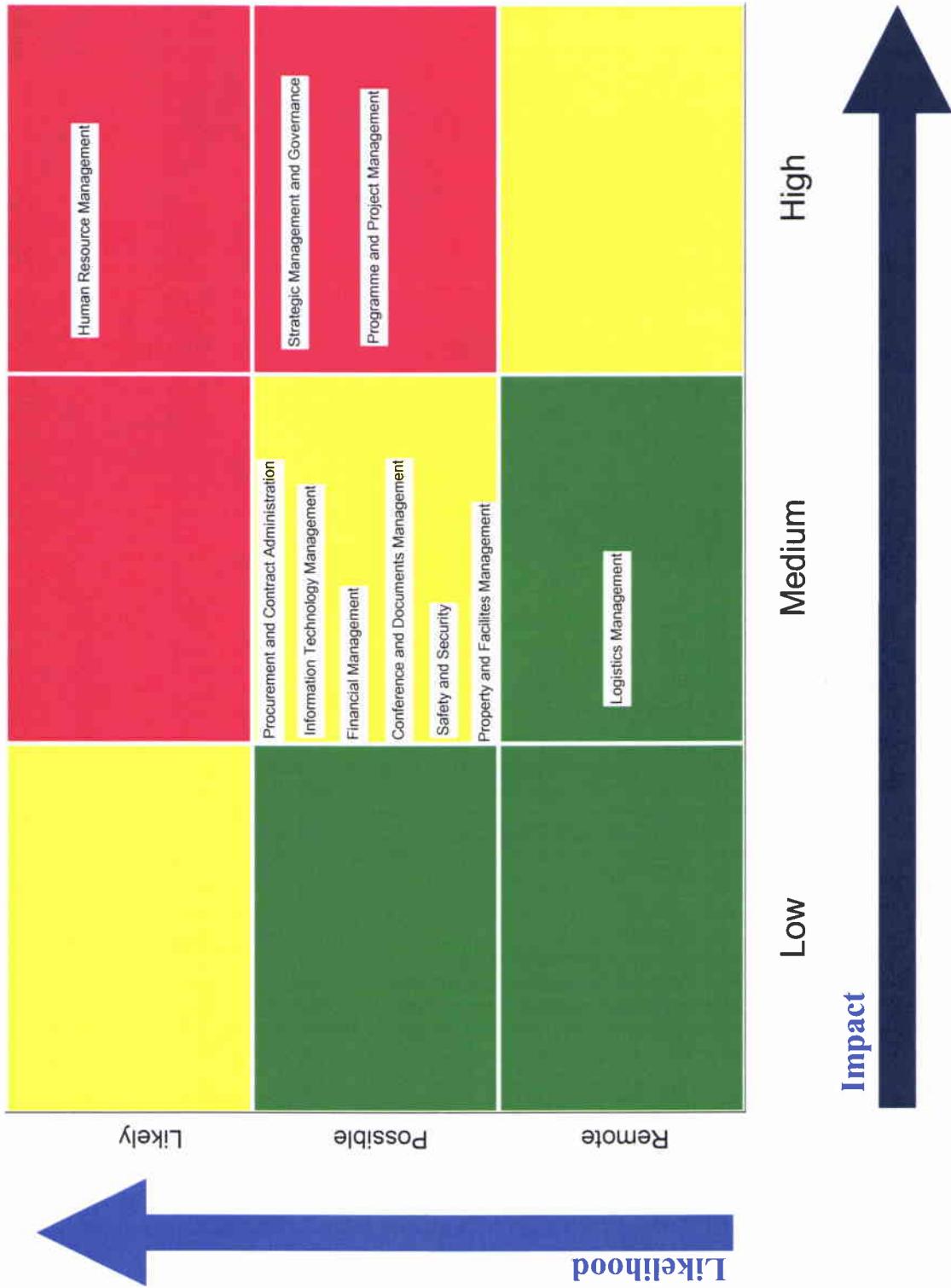
Based on the assessment of the two factors an overall risk rating is derived indicating whether the risk of a focus area is High, Moderate or Low. The ratings used is show below:

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

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

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

RISK SUMMARY PROFILE (Focus Area)



RISK SUMMARY PROFILE (Sub Focus Area)

