



INTERNAL AUDIT DIVISION

OFFICE OF INTERNAL OVERSIGHT SERVICES

RISK ASSESSMENT

**United Nations Stabilization Mission in
Haiti (MINUSTAH)**

11 February 2008

Assignment No. AP2007/683/12

United Nations  Nations Unies

INTEROFFICE MEMORANDUM

MEMORANDUM INTERIEUR

INTERNAL AUDIT DIVISION · DIVISION DE L'AUDIT INTERNE
OFFICE OF INTERNAL OVERSIGHT SERVICES · BUREAU DES SERVICES DE CONTRÔLE INTERNE

TO: Mr. Hédi Annabi
A: Special Representative of the Secretary-General
MINUSTAH

DATE: 11 February 2008

REFERENCE: AUD-7-5:10 (07-⁽⁰⁸⁻⁰⁰⁹³⁸⁾)

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



SUBJECT: **Assignment No. AP2007/683/12 - MINUSTAH Risk Assessment**
OBJET:

1. I am pleased to present OIOS' risk assessment of MINUSTAH which was carried out by the OIOS Resident Audit Office from October to November 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 MINUSTAH to use the results of this risk assessment to put in place appropriate risk mitigation measures. OIOS will update the risk assessment periodically, based on subsequent audits or additional information obtained.

3. I take this opportunity to thank the management and staff involved in the risk assessment for the assistance and cooperation provided to the project team in connection with this assignment.

cc: Mr. Swatantra Goolsarran, Executive Secretary, UN Board of Auditors
Mr. Jonathan Childerley, Chief, Oversight Support Unit, Department of Management
Mr. Byung-Kun Min, Programme Officer, OIOS
Mr. Luiz Carlos da COSTA, PD/SRSG, MINUSTAH
Mr. Paul B. Aghadjanian, CAO, MINUSTAH

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

DIRECTOR:

Dagfinn Knutsen, Tel: +1.212.963.5650, Fax: +1.212.963.2185,
e-mail: knutsen2@un.org

DEPUTY DIRECTOR:

Fatoumata Ndiaye: Tel: +1.212.963.5648, Fax: +1.212.963.3388,
e-mail: ndiaye@un.org

CHIEF, PEACEKEEPING AUDIT SERVICE:

Eleanor Burns: Tel: +1. 917.367.2792, Fax: +1.212.963.3388,
e-mail: burnse@un.org

PARTICIPANTS

The OIOS risk assessment team conducted workshops and interviews with the following staff members of MINUSTAH, 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"> • Hedi Annabi, Special representative of the Secretary-General • Luiz Carlos da COSTA, PD/SRSG • Paul B. Aghadjanian, Chief Administrative Officer • Francisca Kwasa, Chief, Administrative Services • Livio Calgaro, Chief, Integrated Support Services • Susan de Souza, Senior Administrative Officer • Gerard Le Chevallier, Director, Political Affairs and Planning Division • Ayaka Suzuki, Senior Political Affairs and Planning Officer
Programme and project management	<ul style="list-style-type: none"> • Marc Plum, Chief, Electoral Assistance Office • J. Carter, Director, Civil Affairs • Thierry Fagart, Chief, Human Rights Section • Danielle Saada, Chief, Justice Section • Dominique Eliars-Wouters, Deputy Chief, Justice Section • Terseli Loial, Chief, Legal Affairs Section • Jens Kristensen, Chief, Humanitarian and Development Coordination Section • Adama Ndao, OIC, Community Violence Reduction • David Wimhurst, Chief, Public Information Office • Colin Farquhar, Deputy Police Commissioner, Operations

Focus Area	Name and Functional Title
Financial management	<ul style="list-style-type: none"> • Chandan Baidya, Chief Finance Officer • Vijay Kapoor, Chief Budget Officer • Munir Tarafdar, Chief of Accounts • Joseph Jr. Brent, Chief of Payment Unit • Karma Yeden, Chief of Payroll Unit
Human resources management	<ul style="list-style-type: none"> • Adamou Koumago, Chief, Civilian Personnel Officer
Procurement and contract administration	<ul style="list-style-type: none"> • Balakrishnan Amirthalingam, Chief Procurement Officer • Alejandro Arigon, Chief Contracts Management Unit
Logistics management Property and facilities management	<ul style="list-style-type: none"> • Roberto Dormino, Chief Logistics • Carl Delphin, OIC, JLOC Unit • Patricia Marchisio, Chief General Services • Chandra Srivastava, Chief Engineering Section • Steven Smith, Chief Aviation Section • Nestor Rodriguez, Chief Aviation Safety Unit • Thomas McNally, Chief Supply Officer
Information technology management	<ul style="list-style-type: none"> • Thaddeus Anglin, Chief CITS
Safety and security	<ul style="list-style-type: none"> • Andre Bouchard, Chief Security Advisor • Frank Skzryerbak, Deputy Chief Security Officer

SUMMARY OF RISK RATINGS

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

Focus Area	Overall Risk
i. Procurement and contract administration ii. Property and facilities management iii. Safety and security iv. Logistics management v. Information technology management	Higher Risk
i. Strategic management and governance ii. Financial management iii. Human resource management iv. Programme and project management	Moderate Risk
	Lower Risk

RISK REGISTER

Risk Assessment of: MINUSTAH

1	Focus Area:	Strategic Management and Governance		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
I	<p>Strategic planning and monitoring</p> <p>A(i) The lack of established planning and monitoring processes in relation to the mission mandate may lead to the ineffective implementation of the mission objectives.</p> <p>A(ii) The lack of formal office/unit terms of reference and annual work plan in relation to Mission strategic plans may result in the ineffective and inefficient implementation of mission objectives.</p>	<p>The Mission has established appropriate strategic planning and monitoring process with relevant tools (e.g., Mission Mandate Implementation Plan, RBB process and periodic SG reporting to the Security Council). These tools seem to address the Mission's priorities.</p> <p>The Mission's Planning and Monitoring Unit assists the SRSG in monitoring the Mission's accomplishments.</p> <p>There is a difficulty to integrate new elements of subsequent mandates in the Mission planning documents in a consistent manner.</p> <p>The Senior Management Team consists of managers with wide operational and oversight experience at HQ and in the field.</p> <p>Generally, offices and sections did not have approved terms of reference, SOPs, and annual work plans.</p> <p>Operational performance of offices/units and individuals are not evaluated in accordance with established performance accountability.</p>	Strategy	Possible	Medium	Moderate Risk

1	Focus Area:	Strategic Management and Governance		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
II	<p>Mandate</p> <p>A(i) Short-term mandates limit the possibility and effectiveness of establishing long-term strategic plans for the implementation of the Mission's objectives.</p> <p>A(ii) The Host Government's expectations are generally beyond the Mission's mandate, which may lead to difficult relations with the Government when the Mission fails to meet the Government's expectations.</p>	<p>Six out of seven SC Resolutions covered periods of less than 12 months.</p> <p>Short mandates lead mission to prioritize for short impact activities.</p> <p>The Government regularly invites the Mission to carry out development activities as a priority.</p> <p>The coordination mechanism between the Mission and the UN Country Team is not effective.</p> <p>The mission has an extensive Quick Impact Projects programme.</p> <p>The peace dividend is not maximized because of the lack of shared vision with the country team.</p>	Strategy	Possible	Medium	Moderate Risk
III	<p>Control environment</p> <p>B(i) The lack of a proper control environment in the Mission could result in weak governance, lack of accountability and weak ethical environment.</p>	<p>The UN code of conduct and the UN Charter require UN staff to commit themselves to the highest standards of efficiency, competence and integrity. The SG has issued several bulletins and administrative instructions regarding accountability and ethics, but a comprehensive enterprise risk management framework that includes governance and accountability mechanism has yet to be put in place in the Secretariat.</p>	Governance	Possible	High	Higher Risk

Risk Assessment of : MINUSTAH

2	Focus Area:	Financial Management	Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Likelihood	Impact	Overall Risk
I	Finance		Possible	Medium	Moderate Risk
	<p>D(i) Accounts payable not paid on time may result in stoppage of services and loss of discount opportunities.</p> <p>D(ii) Accounts receivable not monitored and received on time can lead to financial loss to the Organization.</p> <p>D(iii) Substantial funds in unliquidated obligations may be unnecessarily idle, leading to the inefficient use of funds.</p> <p>D(iv) The Mission may not have appropriately considered money laundering risks inherent in the region in the conduct of its financial transactions. This situation could affect not only the financial operations of the Mission, but also its reputation.</p> <p>D(v) The distribution of cash in the sectors may put staff members transporting cash at risk.</p>	<p>Controls are in place to monitor accounts payable balances and effect payments on a timely basis. Current balance is reasonably low.</p> <p>Accounts receivable balances mainly relate to receivables from staff members and other personnel, where the risk of non-recovery is low as the Mission has put in place controls to recover receivables from staff salaries and entitlements.</p> <p>The higher risk areas concerning accounts receivable are related to Quick Impact Projects where controls and reporting mechanisms are weaker resulting in long-outstanding and/or unrecovered balances.</p> <p>A formal and systemic process is not in place to ensure that self-accounting units periodically review their obligations.</p> <p>The Finance Section contacts the responsible managers to review and report unliquidated obligations.</p> <p>No controls observed for money laundering.</p>	Possible	Medium	Moderate Risk

2	Focus Area:	Financial Management		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	G(i) There is no interface among the stand-alone finance applications, leading to inefficiencies in processing financial transactions and inaccuracy of reports.	Controls on the processing of financial transactions are in place. Finance Section staff have a good understanding of the systems and the risks involved. However, inefficiency remains because of manual data transfer from one system to another.	Information Resources	Possible	Medium	Moderate Risk
ii	Budget D(i) Some activities may not be completed because of the lack of funds, the use of existing funds to meet priorities not budgeted for and engaging in unplanned activities (e.g., responding to unexpected requests from the host country or intervening when natural disasters occur, providing services to non-UN agencies or organizations without recovering costs). E(i) Mission performance reports may be incomplete, inaccurate and untimely, which could affect decision making regarding the Mission's operations and financing. E(ii) Quick Impact Project funds may be misused, resulting in the non-completion of projects. This situation could result in financial losses.	The budget process is often completed prior to the adoption of the mission mandate, which sets the priorities. Inadequate and ineffective controls over the use of funds in accordance with approved budgets. The Mission has established a team to monitor the implementation of activities and the reporting process. Financial monitoring responsibilities and accountability not clearly established. Compliance to the financial reporting requirements is low.	Financial	Possible Likely	Medium Low	Moderate Risk Moderate Risk
			Operational	Likely	Medium	Higher Risk

Risk Assessment of : MINUSTAH

3	Focus Area:	Human Resource Management	Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Likelihood	Impact	Overall Risk
I	<p>Human Resources</p> <p>F(i) The Mission is not effectively evaluating staff performance. This situation could lead to management failure to improve organizational performance and staff development.</p> <p>F(ii) Absence of formal work plans of offices and units approved by management may affect the ability for the mission to implement and carry out its mandate.</p> <p>F(iii) Absence of a formal training plan for the development of staff skills to improve the organisational performance may result in the inability of the mission to operate efficiently</p>	<p>There were no approved section/unit work plans. Compliance with the e-PAS process was not reinforced.</p>	<p>Possible</p> <p>Possible</p>	<p>Medium</p> <p>Medium</p>	<p>Moderate Risk</p> <p>Moderate Risk</p>
	<p>E(i) The lack of some key HR monitoring and oversight functions may lead to the inefficient management of resources and non-compliance with policies and procedures.</p>	<p>There is no clear assignment of responsibilities for the effective management of the staffing table.</p> <p>There is no adequate planning for the nationalization of professional posts.</p>	<p>Possible</p>	<p>Medium</p>	<p>Moderate Risk</p>
	<p>D(i) The administration of entitlements may not be effective, resulting in increased costs for the Organization or loss of entitlements to personnel.</p>	<p>UNPOL CTO entitlements are managed by UNPOL and not sufficiently reviewed and monitored by the Administration.</p> <p>Systems used to manage entitlements are not integrated.</p>	<p>Possible</p>	<p>Medium</p>	<p>Moderate Risk</p>

3	Focus Area:	Human Resource Management		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	C(i) The Mission may be using hiring practices that are outside of the UN rules and regulations.	<p>The General Assembly clearly forbids the practice</p> <p>The mission at times hire casual labourers</p> <p>The Mission states that its operational objectives may be compromised without the use of casual workers.</p>	Compliance	Likely	Medium	Higher Risk

Risk Assessment of : MINUSTAH

4	Focus Area:	Procurement and Contract Administration	Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Likeli- hood	Impact	Overall Risk
I	Procurement		Possible	High	Higher Risk
	<p>E(i) The procurement plan may not be adequately formulated, leading to ineffective and inefficient procurement activities.</p> <p>E (ii) Requisitioners may not have sufficient knowledge of the procurement process and may not have proper procurement plans for their sections/units. This situation could lead to inefficiencies in the procurement process and waste of resources.</p> <p>E(iii) The time taken by the Budget Unit in verifying the availability of funds for requisitions may be too long, delaying the procurement of goods and services.</p> <p>E(iv) There is also a risk of not adhering to the UN FRR when processing a large number of procurement cases at the end of a financial year, which could lead to the acquisition of goods and services at higher prices, or unsatisfactory bids.</p> <p>E(v) The quality of procurement activities might be affected by the procurement process lead time requirement resulting in wrong estimation of requirements.</p> <p>E(vi) The complexity of the UN procurement rules and regulations may affect the quality of the procurements activities as some rules may not be well understood</p>	<p>The Mission has a procurement plan consistent with operational activities.</p> <p>Requisitions are reviewed before they are finalized.</p>	Likely	High	Higher Risk

4	Focus Area:	Procurement and Contract Administration		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>or easy to follow.</p> <p>E(vii) The quality of procurement activities might be affected by local market limitations where vendors base is limited and vendors do not comply with performance bonds and registration requirements.</p>					
	<p>G(i) Procurement files are not consistently organized, obscuring the accountability over and the transparency of the procurement processes.</p>	<p>Organized and consistent files that appropriately reflect the procurement processes are not always in place.</p>	Information Resources	Possible	Medium	Moderate Risk
	<p>F(i) The quality of procurement activities might be affected by the limited human resources (qualification, vacancies of posts, lack of continuous specialized training).</p> <p>F(ii) The lack of staff rotation within the Procurement Section could increase opportunities to commit fraud such as unauthorized disclosure of information and collusion with vendors.</p>	<p>Requisitions are reviewed before they are finalized.</p> <p>International (staff) team leaders are rotated.</p> <p>There is no plan for the rotation for local staff within the Section.</p>	Human Resources	Likely	High	Higher Risk
II	<p>Major contracts</p> <p>C(i) The procurement of fuel and other critical supplies (like rations) may not be performed in accordance with the Procurement Manual, leading to irregularities, inefficiencies and losses to the Organization.</p>	<p>A 2005 OIOS' audit showed (a) that the Mission depended on ad hoc arrangements for the supply of fuel and (b) a number of irregularities in the procurement/finalization of fuel contracts.</p>	Compliance	Possible	High	Higher Risk

Risk Assessment of : MINUSTAH

5	Focus Area:	Logistics Management	Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Likelihood	Impact	Overall Risk
I	<p>Logistics Section</p> <p>E(i) The lack of coordinated planning between the Logistics Section and the recipients of support services could delay the achievement of the Mission's objectives.</p>	<p>Unclear accountability and oversight over operational responsibilities, particularly in areas related to key clients such as UNPOL, Military and Engineering.</p> <p>Operational responsibility seems to be diluted in many areas of the Mission Integrated Support Services.</p> <p>There are no SOPs for the Logistics Section.</p>	Likely Likely	High High	Higher Risk Higher Risk
II	<p>General Services Section</p> <p>E(i) The large area of responsibility of the General Services Section may distract management from key operational risk areas.</p> <p>E(ii) The absence of contracts with travel agencies may result in high and/or unstable travel costs and in the Mission missing out on discount opportunities.</p> <p>G(i) Electronic archiving is lagging behind, putting at risk the integrity and security of information. In case of disasters, hard copies might be vulnerable and the organization might lose critical operational information.</p>	<p>Delegation of operational authority might not be in place to allow senior management to focus more attention to higher risk areas.</p> <p>The mission is piggybacking on UNDP contract.</p> <p>Management wants to electronically archive records, but plans toward this end has not been formulated.</p>	Possible Possible	Medium Medium	Moderate Risk Moderate Risk
		Information Resources	Remote	High	Moderate Risk

5	Focus Area:	Logistics Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
III	<p>Supply</p> <p>E(i) The lack of contract for the provision of fuel may result in instability/insecurity of fuel supply to the Mission, jeopardizing the Mission's operations and exposing the Mission to potential loss and fraud.</p> <p>E(ii) Delays in the supply of food rations might jeopardize the Mission's military operations.</p>	<p>After three years, there is still no contract(s) with fuel provider(s).</p> <p>The Mission has identified fraudulent activities in the management of fuel.</p> <p>Internal controls for the accounting of fuel were not in place.</p> <p>The Mission has indicated that it is satisfied with the food rations contractor's performance.</p> <p>The management of food rations have been a risky area in peacekeeping missions.</p>	Operational	Possible	High	Higher Risk
IV	<p>Transport Operations</p> <p>E(i) The unavailability/inadequacy of vendor support for the provision and maintenance of spare parts could lead to the accelerated aging of the Mission's vehicle fleet.</p>	<p>Procurement plans are in place to replace the aging fleet.</p>	Operational	Possible	Medium	Moderate Risk
V	<p>Air Operations</p> <p>E(i) The lack of standard aviation fire safety equipment could result in the Mission's inability to ensure the safety of passengers and aircraft.</p>	<p>1) The Mission is using regular fire extinguishers, which are not appropriate for aircraft.</p>	Operational	Possible	High	Higher Risk

5	Focus Area:	Logistics Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
VI	Engineering			Likely	Medium	Higher Risk
	<p>E(i) The lack of coordination between the Engineering Section, Logistics Section and the Military Engineering Company may negatively impact the effectiveness and efficiency of engineering activities.</p> <p>E(ii) Mission's resources may not be adequate to provide engineering services to numerous mission sites across the country. This situation could make it difficult for the Mission to prioritize engineering activities and to move engineering equipment to work sites.</p>	<p>Mechanisms to coordinate activities between the Engineering, Logistics and Military Engineering Company are not in place.</p> <p>To address this risk, the Mission uses daily paid workers, although this violates a GA resolution on the use of daily paid workers.</p>	Operational	Likely	Medium	Higher Risk
	<p>D(i) The numerous locations/premises used for Mission operations may lead to increased rental, maintenance and security costs.</p>	<p>Mission management has been considering possibilities to move operations into one location.</p>	Financial	Likely	Low	Moderate Risk

Risk Assessment of : MINUSTAH

6	Focus Area:	Information Technology Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
I	<p>IT administration</p> <p>B(i) The absence of an ICT review committee and clear standard operating procedures might lead to ineffective ICT governance.</p>	<p>The Mission has not established an ICT review committee in accordance with organization policies.</p> <p>There is no critical review of ICT procurement and software and telecommunications development projects.</p> <p>Relevant SOPs are not finalized.</p>	Governance	Possible Likely	High High	Higher Risk Higher Risk
	<p>E(i) IT technical support services may not meet client expectations, resulting in the ineffective use of IT tools and delays in delivery of IT product and services.</p>	<p>There was no proper organization and oversight of the technical support services.</p> <p>Support services are not always provided on a timely basis.</p> <p>Client satisfaction surveys are not conducted to assess the quality of services provided.</p> <p>Asset management is weak.</p>	Operational	Possible	Medium	Moderate Risk
II	<p>IT security</p> <p>E(i) The lack of appropriate physical security for IT systems may jeopardize the Mission's operations.</p>	<p>The Mission is in the process of finalizing security arrangements for the server area.</p> <p>Mission security is not always available in the areas where telecommunications sites are located.</p>	Operational	Likely Likely	High High	Higher Risk Higher Risk

6	Focus Area:	Information Technology Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	G(i) Lack of access controls to applications and data could lead to sensitive information being accessed by unauthorized persons or information being corrupted or manipulated.	General IT controls are in place. Limited use of encryption functions.	Information Resources	Possible	Medium	Moderate Risk
III	Disaster recovery/business continuity E(i) ICT operations may be jeopardized in case of disasters/contingencies (fire, natural disasters such hurricanes, floods, lightning).	The Mission has a business continuity plan that includes Brindisi, as the ICT hub, and a regional hot site in the Dominican Republic. Backup systems, particularly for the major Mission applications, are in place both locally and in Brindisi.	Operational	Possible Possible	High High	Higher Risk Higher Risk

Risk Assessment of : MINUSTAH

7	Focus Area:	Programme and Project Management		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
I	<p>Political Affairs and Planning Division</p> <p>A(i) A weakening of the Government and the already frail institutions may jeopardize the effective implementation of MINUSTAH's mandate and the sustainability of its achievements in the areas of security stabilization and in institution building.</p> <p>A(ii) Criminal organizations in the country may present challenges to the Government and MINUSTAH's new initiatives, i.e., border management including customs. This situation could increase security risks and could impede the implementation of MINUSTAH's border management activities.</p>	<p>Mature and well-structured state governance institutions are still being slowly established.</p> <p>Interest and political groups have bought into the political and institutional building processes pursued by the Government and supported by the international community, in particular by MINUSTAH.</p> <p>Powerful criminal organizations benefit from porous/uncontrolled borders and are capable of challenging the efforts of the Government and the international community.</p> <p>The Security Council and the Government of Haiti considers border management/ strengthening as a priority for security and economic reasons.</p> <p>The concept of operations for the implementation of MINUSTAH border management activities are being established.</p> <p>Operational requirements, such as the deployment of military and police force and equipment (such as patrol boats), have not been secured. Moreover, government counterparts are not yet ready.</p>	Strategy	Possible	Medium	Moderate Risk

7	Focus Area:	Programme and Project Management		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
II	<p>Civil Affairs</p> <p>A(i) The host country may not have clear objectives and lack the capacity and resources relating to civil affairs, which could limit the effectiveness of the Mission in supporting institutional development and capacity building.</p>	<p>The Mission works with the Government, the parliament and local institutions to establish clear objectives and strategies.</p> <p>The UN, bilateral and other international partners coordinate their efforts as much as possible to support institutional building at all level.</p> <p>The legal institutional framework has yet to be established by the parliament.</p>	Strategy	Possible	Medium	Moderate Risk
	<p>B(i) Conflicting objectives and priorities may reduce the effectiveness of the mandate implementation.</p>	<p>The Mission has several units intervening in the areas of institutional building at all levels.</p> <p>An adequate coordination mechanism is established through regular senior management and executive committee meetings.</p>	Governance	Possible	Medium	Moderate Risk
III	<p>Electoral Assistance</p> <p>B(i) The absence of institutional framework (National Electoral Commission) may delay the organization of elections within the planned timeframe.</p>	<p>MINUSTAH is working with the Government to expedite the establishment of the National Electoral Commission.</p> <p>The elections cannot be realistically scheduled without the availability and of key actors.</p> <p>The donor community has been willing to provide election resources upon the Government's request.</p> <p>The Government generally does not budget funds for the conduct of elections.</p>	Governance	Possible	High	Higher Risk
	<p>D(i) The funding mechanism for the elections is not clearly established, while the Government has set election dates without securing funds.</p>		Financial	Likely	Low	Moderate Risk

7	Focus Area:	Programme and Project Management			Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment		Risk Category	Likelihood	Impact	Overall Risk
	<p>E(i) Logistical support for the elections may not be effective and efficient due to changes in the dates for the conduct of the elections and potential conflicts in the logistical priorities of the Mission.</p>	<p>The Government relies on the Mission for logistical support for the organization of the elections.</p> <p>The Government does not consider other Mission priorities which are generally related to Government requests such as vaccination campaign.</p>		Operational	Possible	High	Higher Risk
IV	<p>Communication and Public Information</p> <p>G(i) The lack of secure radio frequencies may limit the Mission's capacity to reach national and international audiences for advocacy purposes.</p> <p>G(ii) The public may not be adequately informed of the Mission's mandate, operations and achievements because of ineffective information dissemination.</p>	<p>The Government did not assign radio frequencies to the Mission in accordance with the SOFA.</p> <p>The Mission currently rents frequencies from private providers.</p> <p>The Mission is in the process of signing a long-term agreement with a private provider.</p> <p>The Mission has a website including video, audio and documentary information, to disseminate information.</p> <p>Radio broadcasting is being carried out.</p> <p>The Mission monitors public opinion through surveys.</p>		Information Resources	Possible	Medium	Moderate Risk

7	Focus Area:	Programme and Project Management		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
V	Community Violence Reduction (DDR)		Strategy	Possible	Medium	Moderate Risk
	<p>A(i) Mission-funded projects through DDR/CVR may not be sustainable and could become counter productive because the change in the programme's focus: (a) could have created a void which cannot be filled by government institutions because of the lack of resources from the Government and other partners; and (b) could lead to the disappointment of the recipients of initial projects under DDR, both community and state institutions, a situation that may harm the reputation of the Mission.</p>	<p>The Mission has refocused its activities from DDR to community violence reduction activities thus dealing with less arms collections.</p> <p>The Mandate has encouraged continued implementation of quick impact projects.</p> <p>Demand for Quick Impact Projects is high, but the projects are not generally within the guidelines and are not responsive to local community expectations.</p>	Strategy	Possible	Medium	Moderate Risk
	<p>E(i) Social mobilization capacity might be limited because of the unstable security environment.</p>	<p>The Mission has improved the security environment in certain city areas.</p> <p>The UN Military and the UN and national police presence provides adequate security coverage.</p> <p>Unstable security environment limits UN interventions in needy communities.</p>	Operational	Possible	Medium	Moderate Risk
	<p>D(i) The Mission's and the host country's lack of project management capacity may result in the inefficient and fraudulent use of funds.</p>	<p>Clear QIP policies exist.</p> <p>Adequate controls were not exercised in the previous projects in terms of clear accountability within mission offices and reporting and monitoring processes.</p> <p>Allegations of mismanagement have been reported.</p> <p>Management has indicated difficulty to ensure compliance by the recipients' project managers with QIP financial reporting rules.</p>	Financial	Likely	Medium	Higher Risk

7	Focus Area:	Programme and Project Management		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
VI	Humanitarian and Development Coordination			Possible	Medium	Moderate Risk
	<p>B(i) Overlap of mandates with other UN agencies in the humanitarian and development coordination areas (OCHA and UNDP) could lead to inefficiency of operations and/or failure to address important areas.</p>	<p>This risk is a management concern both in terms of clarity of the mandate and the coordination mechanism relating to the implementation of UNCT-wide decisions.</p> <p>Absence of an effective/formal coordination mechanism between existing players (UN, bilateral, NGO) to mitigate inefficiency/ duplication risks. Ad hoc coordination exists when disasters occur.</p>	Governance	Possible	Medium	Moderate Risk
	<p>B(ii) The Mission's humanitarian objectives may not be achieved because of its supporting role in the programme which limits its ability to drive the programme.</p>	<p>OCHA and UNDP take the lead in humanitarian activities and are providing the necessary financial resources. It is difficult for MINUSTAH to exercise leadership when it does not have control over the resources used in this area.</p> <p>The Mission makes available its logistic resources to help in the provision of humanitarian support.</p>				
	<p>E(i) The Mission's humanitarian objectives may not be achieved because of the lack of financial resources.</p>	<p>OCHA and UNDP take the lead in humanitarian activities and are providing the necessary financial resources. It is difficult for MINUSTAH to exercise leadership when it does not have control over the resources used in this area.</p> <p>The Mission makes available its logistic resources to help in the provision of humanitarian support.</p>	Financial	Possible	Low	Lower Risk

7	Focus Area:	Programme and Project Management		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
VII	<p>Justice</p> <p>A(i) The lack of institutional legal framework does not allow for the effective implementation of the Mission mandate to strengthen the rule of law.</p> <p>A(ii) The lack of financial capacity to support effective change and to strengthen legal institutions could delay the achievement of MINUSTAH's objectives.</p>	<p>Key principles of the legal framework are under review by the parliament.</p> <p>The Mission is working with relevant actors involved in the process of strengthening the rule of law.</p> <p>The Mission objectives regarding rule of law are clear but their implementation is dependent upon the Government's action such as legislating laws through the Parliament and the Senate.</p> <p>The Mission's support for the justice programme is generally in the technical assistance areas. Other donors provide financial support.</p>	Strategy	Possible	Medium	Moderate Risk
VIII	<p>Legal Affairs</p> <p>E(i) The lack of controls to preserve relevant legal information could result in difficulty in dealing with legal cases, and also legal and contractual information might be leaked to third parties if not adequately protected</p>	<p>Various Mission players in judicial institution building regularly coordinate their activities.</p> <p>Senior Management review mechanisms exist to limit conflict in priorities.</p> <p>General UN policies and procedures require due care to ensure completeness of relevant information regarding its operations and potential legal cases</p>	Governance	Possible	Medium	Moderate Risk

7	Focus Area:	Programme and Project Management		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
IX	<p>Human Rights</p> <p>E(i) The lack of adequate resources in the human rights programme may hinder access to clients in regional and rural areas.</p>	<p>Human rights staff are deployed throughout the country.</p> <p>Resources are provided for operational purposes.</p>	Operational	Possible	Low	Lower Risk
X	<p>United Nations Police</p> <p>E(i) The lack of adequate logistics support may limit the effectiveness of the implementation of UNPOL mandate.</p> <p>E(ii) The inadequate planning of police operations and institutional development activities may impact the effectiveness the UN Police in maintaining security and developing the capacity of the Haitian National Police.</p>	<p>The standard logistics support resources are established in DPKO policies and procedures.</p> <p>Efforts have been made to mitigate the weaknesses in the planning and provision of logistics support to UNPOL activities.</p> <p>The Mission has operations plan and intervention mechanism in place.</p> <p>Adequate number of UN Police, including FPU's, are deployed and rotated on a regular basis.</p> <p>The building of the capacity of the Haitian National Police is ongoing through training and co-locations.</p> <p>Security in the capital city has generally been stabilized. Red zones (i.e., off limit areas) have been substantially reduced.</p>	Operational	Possible	Medium	Moderate Risk

7	Focus Area:	Programme and Project Management		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	A(i) The new mandate's focus on border management may increase the security exposure of the UN Police as criminal interests are targeted.	<p>1) Senior Management has indicated that it is aware of the risks and will explore ways to mitigate them.</p> <p>2) Combined UN military and police forces in addition to existing government police will be able to address the risks.</p>	Strategy	Possible	Medium	Moderate Risk

Risk Assessment of : MINUSTAH

9	Focus Area:	Property and Facilities Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
I	<p>Property and Facilities Management</p> <p>D(i) The improper accounting of assets could increase the opportunity to commit fraud and could result to losses to the Organization.</p>	<p>Self-accounting units do not fully utilize Galileo</p> <p>Staff are not adequately trained in the use of Galileo</p> <p>Lack of sufficient and qualified staff</p> <p>Audits have highlighted several instances of improper accounting of assets.</p> <p>Supervision of the Property Management Unit's functions may not be effective because of the numerous responsibilities of the General Services Section.</p>	Financial	Possible	High	Higher Risk
	<p>E(i) Delays in the receiving and inspection process could result in loss to the Organization.</p>	<p>The Mission is not in a position to control the lead time to allow them to pay in time and to benefit from discount opportunities</p> <p>There are no adequate controls to minimize exposure to theft of non-inspected items.</p>	Operational	Possible	Medium	Moderate Risk
	<p>C(i) The property of the mission may not be adequately secured including Motor vehicles, Office compound, weapons etc, which may result in theft, or attacks on them resulting in a danger to staff safety or loss of assets</p>	<p>The mission operates based on the UN rules and regulations.</p>	Compliance	Possible	High	Higher Risk

Risk Assessment of: MINUSTAH

Focus Area:	Safety and Security		Possible	High	Higher Risk
Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
Security			Possible	High	Higher Risk
<p>E(i) An ineffective Security Management Team (SMT) may result in the uncoordinated management of security issues.</p> <p>E(ii) Untrained DPKO security staff may not be able to provide effective security support needed in case of crisis.</p> <p>E(iii) Ineffective security threat assessments could affect the Mission/UNCT's ability to secure UN staff and operations.</p> <p>E(iv) Radio communication systems may not be functional.</p>	<p>The SMT meets on a weekly basis with the presence of UNCT members.</p> <p>The Chief Security Advisor reports to the PD/SRSG and the Designated Official and participates in senior management meetings.</p> <p>The new CSA has vast DSS/HQ and field experience.</p> <p>DSS and DPKO security staff have different hiring status and training requirements leading to imbalance among the staff's capability of the to effectively provide security services.</p> <p>The Mission has four sections/units involved in security assessment: Security Section, JMAC, the Military and UNPOL. These units provide security assessments to senior management for planning and decision-making purposes.</p> <p>The Mission plays a key role in security management and stabilization in the country through the police and military presence with Chapter 7 authority. The Mission also has a presence in many areas to assess and mitigate potential threats to Mission operations and staff.</p> <p>Radio calls are not conducted on a regular basis to assess the functioning of the radio communication systems and the capability of the staff to use the radios.</p>	Operational	Remote	High	Moderate Risk

Focus Area:	Safety and Security		Possible	High	Higher Risk
Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>The radio communication network has an adequate coverage of the country</p> <p>MOSS compliance is being enforced with the fitting of all moving vehicles with radios and the provision of radio to all staff.</p>				
C(i) The lack of current and country-specific security plan may increase the security exposure of United Nations operations and staff.	A country security plan exists and is being updated.	Compliance	Possible	High	Higher Risk
C(ii) Lack of compliance and awareness with the UN Security measures may result in increasing security risks.	Evacuation drills are not conducted on a regular basis.				
Safety			Possible	Medium	Moderate Risk
E(i) The Mission may not give adequate attention/priority to occupational safety and health issues, increasing staff safety risks.	No controls observed.	Operational	Possible	Medium	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

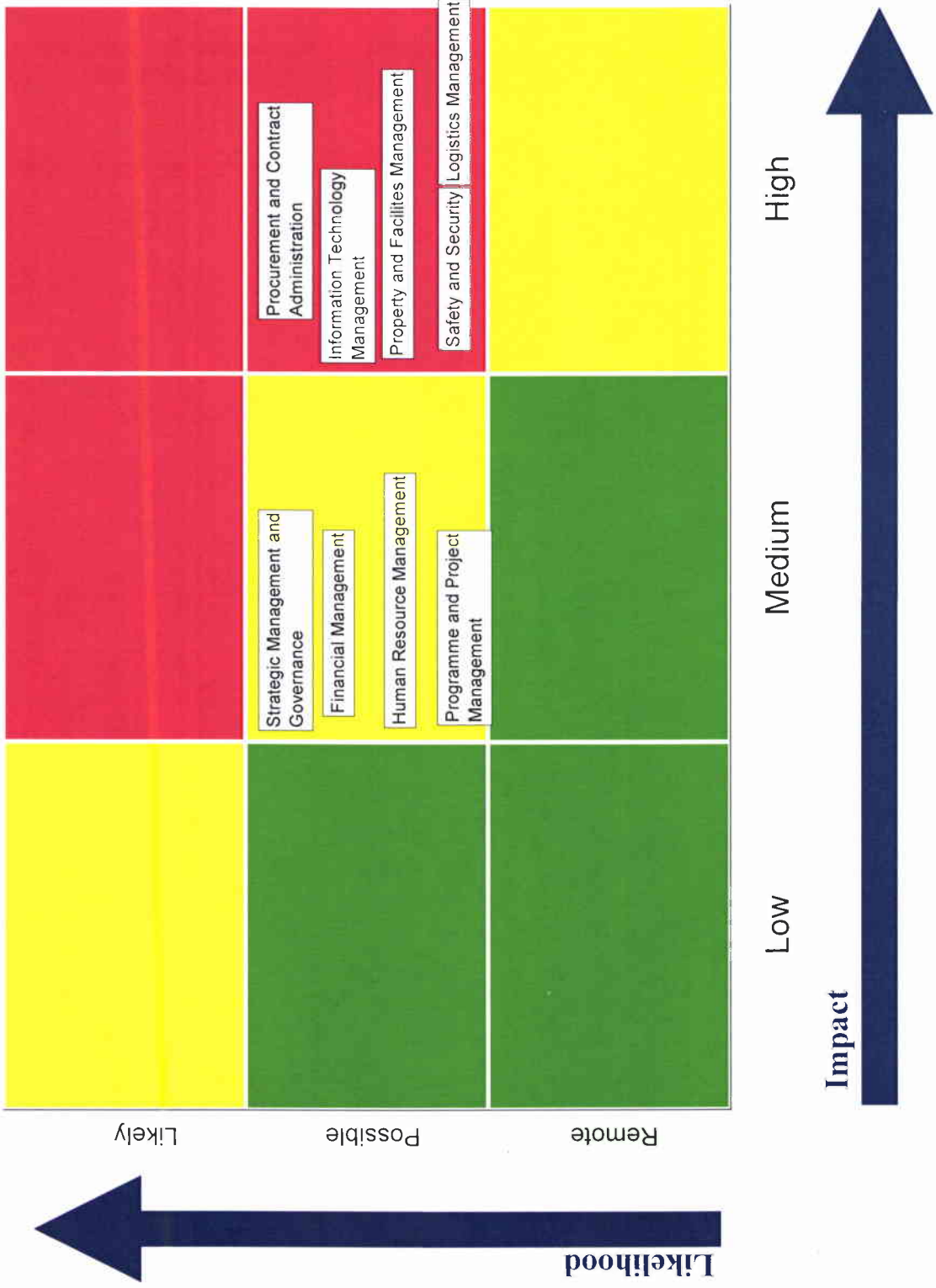
The OIOS Risk Assessment Framework evaluates the likelihood of the risk occurring and the impact it will have if it occurs. Based on the assessment of the two factors an overall risk rating is derived indicating whether the risk of a focus area is High, Moderate or Low. The ratings used is show below:

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	<p>The identified issue represents the following likelihood and impact combinations:</p> <ul style="list-style-type: none"> • Likely and high • Likely and medium • Possible and high
Moderate Risk	<p>The identified issue represents the following likelihood and impact combinations</p> <ul style="list-style-type: none"> • Likely and low • Possible and medium • Remote and high
Lower Risk	<p>The identified issue represents the following likelihood and impact combinations</p> <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)

