



INTERNAL AUDIT DIVISION

OFFICE OF INTERNAL OVERSIGHT SERVICES

RISK ASSESSMENT

**United Nations Peacekeeping Force in
Cyprus (UNFICYP)**

13 February 2008

Assignment No. AP2007/654/03

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. Michael Moller
A: Special Representative of the Secretary-General
UNFICYP

DATE: 13 February 2008

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



REFERENCE: AUD-7-5:2 (078-00489)

SUBJECT: **Assignment No. AP2007/654/03 - UNFICYP Risk Assessment**
OBJET:

1. I am pleased to present OIOS' risk assessment of UNFICYP which was carried out by the OIOS Resident Audit Office from September to October 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 UNFICYP 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. Francis Clancy, Chief Administrative Officer, UNFICYP

INTERNAL AUDIT DIVISION

FUNCTION

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

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PARTICIPANTS

OIOS conducted UNFICYP's risk assessment in 2006. In order to update the Mission's risk profile and to gain a better understanding of existing organizational relationships, risks, controls and process issues, OIOS sent two separate sets of questionnaires to: (a) the UNFICYP senior management; and (b) the heads of substantive and support units. The responses were compiled into an updated risk register. OIOS presented the interim outcome of the risk assessment exercise to the Chief Administrative Officers' (CAO) Conference in Beirut on 18 October 2007 which was attended by the following participants:

Mission	Name and Functional Title
UNDOF	<ul style="list-style-type: none">• Mr. Patrick Devaney, Chief Administrative Officer
UNIFIL	<ul style="list-style-type: none">• Mr. Marcel Savard, Director of Administration• Mr. Henry Thompson, Chief of Integrated Support Services• Mr. Robin Sellers, Chief of Administrative Services
UNFICYP	<ul style="list-style-type: none">• Mr. Francis Clancy, Chief Administrative Officer
UNTSO	<ul style="list-style-type: none">• Ms. Cecilia McGill, Chief Administrative Officer
UNSCO	<ul style="list-style-type: none">• Mr. Wolfgang Weiszegger, Chief Administrative Officer
UNIIC	<ul style="list-style-type: none">• Farrakh Shah, Chief Administrative Officer

SUMMARY OF RISK RATINGS

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

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

RISK REGISTER

Risk Assessment of : UNFICYP

1	Focus Area:	Strategic Management and Governance		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
I	<p>Mandate</p> <p>B(i) The Mission may not be structured to effectively carry out its revised concept of military operations in respect of: (a) the deployment of military patrols or observers to conduct its liaison, observation and mediation functions, as against the deployment of military troops to separate forces; and (b) the use of aerial observation and surveillance technology.</p> <p>B(ii) The number of civilian personnel may not have been reviewed and adjusted to reflect the Mission's staffing requirements in view of the reduced military personnel strength. This situation could result in idle resources.</p> <p>B(iii) The Mission's quarterly performance reports to the Security Council may not have relevant benchmarks with which the Mission's activities should be reported. This situation could result in the Mission not being able to hold key stakeholders in the comprehensive peace process in Cyprus accountable for progress made or lack thereof in relation to their commitments.</p>	<p>The General Assembly, in its resolution 60/270, requested UNFICYP to thoroughly review its staffing requirements. According to UNFICYP's review, despite the Mission's downsizing, the complexity and level of operational activities and its resource requirements to achieve its mandate have remained the same.</p> <p>The military component was downsized from 1,230 to 860 personnel, while the UN Police force was increased from 35 to 69 officers. However, with the net decrease in military personnel, there was almost no change in the number of civilian personnel, at 154 and 153 staff members in the periods 2004/05 and 2006/07 respectively.</p> <p>UNFICYP has not established benchmarks against which its quarterly performance reports to the Security Council are prepared.</p>	Governance	Possible	High	Higher Risk

1	Focus Area:	Strategic Management and Governance		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>A(i) The UNFICYP Special Representative of the Secretary-General's executive direction and management functions regarding the coordination of activities with the Office of the Secretary-General's Special Advisor, with UNHQ and with other UN entities in the Mission area and in the Middle East region may not be clearly defined. This could result in inefficiencies and ineffectiveness in the conduct of the Mission's operations.</p>	<p>There is no mechanism in the office of the Special Representative of the Secretary-General to coordinate its activities with the Office of the Secretary-General's Special Advisor for Cyprus, with UNHQ and with other UN entities in the Mission area and in the Middle East region.</p>	Strategy	Possible	High	Higher Risk
II	<p>Strategic planning and monitoring</p> <p>A(i) The opposing forces in the country could restrict personnel movements. This situation could hamper the Mission's operations.</p> <p>A(ii) The possible closure of established crossing points between the southern and northern parts of the country may hinder the Mission from carrying out its operations effectively.</p> <p>A(iii) The lack of willingness on the part of the Turkish-Cypriots and Greek-Cypriots to negotiate may cause delays in the comprehensive peace process.</p>	<p>UNFICYP intends to conduct constant patrolling in controversial/sensitive areas to promptly identify and plan for a potential movement restriction.</p> <p>UNFICYP intends to elevate any potential closing of crossing points to the appropriate government offices if negotiations facilitated by the Military Liaison Officer prove unsuccessful.</p> <p>UNFICYP intends to continue facilitating negotiations between the Turkish-Cypriots and Greek-Cypriots.</p>	Strategy	Possible	High	Higher Risk

1	Focus Area:	Strategic Management and Governance		Possible	High	Higher Risk
	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
No III	Control environment B(i) The lack of a proper control environment in the Mission could result in weak governance, lack of accountability and weak ethical environment.	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.	Governance	Possible	High	Higher Risk

Risk Assessment of: UNFICYP

2	Focus Area:	Financial Management		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
I	<p>Financial management</p> <p>B(i) Cost centres may not understand that the results-based budgeting (RBB) framework is part of the overall accountability mechanism and therefore not use it as such. This situation could lessen the effectiveness of the RBB process.</p> <p>G(i) The lack of interface between the accounting, procurement and accounts payable information systems could result in inaccurate and inefficient financial reporting.</p> <p>G(ii) There may be a lack of a systematic mechanism to monitor the accuracy and completeness of budget information exchanged between the Mission, Department of Field Support (DFS) and Office of Programme Planning, Budget and Accounts (OPPBA). This situation could result in inefficiencies and inaccuracies in the preparation of budget.</p> <p>D(i) Prior-year unliquidated obligations may be carried forward to the next budget period without a valid commitment/claim resulting in the unnecessary blocking of funds.</p>	<p>The UNFICYP Budget and Finance Unit is considering conducting an RBB training for self-accounting and substantive unit chiefs.</p>	Governance	Possible Likely	Medium Medium	Moderate Risk Higher Risk
		<p>The accounting, procurement and accounts payable information systems are not integrated, requiring additional time to manually reconcile common transactions and identify and correct posting errors.</p> <p>There are no established procedures to track information exchanged between United Nations Headquarters and the Mission.</p>	Information Resources	Possible	Medium	Moderate Risk
		<p>There were instances of unliquidated obligations being carried over to the next budget period without proper validation by certifying officers.</p>	Financial	Possible	Low	Lower Risk

Risk Assessment of : UNFICYP

3	Focus Area:	Human Resource Management		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
I	<p>Personnel activates</p> <p>A(i) The succession planning and vacancy management processes may not be adequate/effective, resulting in the inability of the Mission to recruit and deploy staff in a timely manner.</p>	<p>Following an OIOS audit, it is expected that the human resources action plan for UNFICYP will be implemented by July 2008.</p>	Strategy	Possible	Medium	Moderate Risk
	<p>F(i) Inadequate staff resources may result in the unsatisfactory performance of some functions.</p> <p>F(ii) Staff performance may not be linked to the respective organizational unit work plans. This situation could result in Mission staff not working toward achieving a common Mission goal/objective.</p> <p>F(iii) Staff performance may not be evaluated, resulting in the Mission not being able to take appropriate action with regard to unsatisfactory performance.</p> <p>F(iv) There may be delays in the recruitment of Mission staff because of the time United Nations Headquarters (UNHQ) takes to recruit staff and other UNHQ priorities. This situation could negatively affect the Mission's operations.</p>	<p>In 2005/06, UNFICYP had a vacancy rate of about 20 per cent. In 2007, UNFICYP was able to significantly reduce the vacancy rate.</p> <p>First reporting officers are required to ensure that staff members' individual goals are linked to the goals stated in the respective sections' work plans.</p> <p>A 2007 OIOS audit noted that performance appraisal completion rate at UNFICYP was 68 per cent for the performance reporting period 2006/07.</p> <p>UNFICYP continuously follows up with UNHQ regarding staff selection and recruitment matters.</p>	Human Resources	Possible	Medium	Moderate Risk

3	Focus Area:	Human Resource Management		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	B(i) The failure to identify and provide the appropriate levels of delegation of authority to international and local personnel may lead to bottlenecks and inefficiencies in the performance of critical human resource functions.	There was no evidence of review of the level of delegation of authority granted to UNFICYP with respect to the administration of Mission personnel. There were delays in receiving approvals from UNHQ on administrative personnel action.	Governance	Possible	Medium	Moderate Risk
II	Conduct and discipline B(i) Conduct and discipline issues, particularly sexual exploitation and abuse (SEA), may not be given adequate attention by the Mission management, resulting in serious reputation risk to the Organization.	There is an SEA policy in place. DPKO/DFS has established conduct and discipline teams at headquarters and in peacekeeping missions to monitor and report on misconduct issues, particularly SEA cases.	Governance	Possible	High	Higher Risk

Risk Assessment of : UNFICYP

4	Focus Area:	Procurement and Contract Administration	Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Likelihood	Impact	Overall Risk
I	Procurement activities		Possible	High	Higher Risk
	E(i) The Mission may not have a procurement plan and may not comply with the provisions of the Procurement Manual when purchasing goods and services. This situation could compromise the integrity and transparency of the procurement process.	A 2006 OIOS audit of procurement activities in UNFICYP showed internal control weaknesses, such as inadequate competition and non-compliance with the delegation of authority to procure core requirements.	Possible	High	Higher Risk
	C(i) The delegation of authority to the Mission to procure core requirements may be abused, leading to irregularities or unauthorized purchases.	A 2006 OIOS audit of procurement activities in UNFICYP showed internal control weaknesses, such as inadequate competition and non-compliance with the delegation of authority to procure core requirements.	Possible	High	Higher Risk
	G(i) The vendor database may not be complete, resulting in the omission of qualified vendors from the solicitation process. G(ii) The vendor database may be outdated, which poses the risk that the Mission may continue to enter into procurement contracts with vendors who may have been already blacklisted by the United Nations.	Following an audit recommendation, UNFICYP plans to update its vendor database in the first quarter of 2008.	Possible	Medium	Moderate Risk

Risk Assessment of : UNFICYP

5	Focus Area:	Logistics Management		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
I	Travel and transportation			Possible	Medium	Moderate Risk
	<p>C(i) The Mission's travel and transportation resources may not be aligned with the reduced military troop strength. Also, the distribution of vehicles may not be in compliance with the established guidelines on the ratio to vehicle. These situations could result in the sub-optimal use of Mission resources.</p> <p>C(ii) The use of Mission vehicles for personal purposes (the liberty mileage system) may be abused. This could cause losses to the Organization.</p>	<p>UNFICYP operates a fleet of 345 vehicles (79 UN-owned; 39 contingent-owned; 227 rented). UNFICYP's post incumbency for the period July 2006 to June 2007 consisted of 34 international staff, 103 national staff, 67 United Nations Police officers and 853 military personnel. It appears that UNFICYP is not compliant with DPKO's standard operating procedures for transport operations on the size and mix of vehicles/vehicle types of the Mission's fleet.</p> <p>Controls over the use of liberty mileage appear to be weak.</p>	Compliance	Likely	High	Higher Risk
	<p>E(i) Fuel resources may not be adequately monitored, resulting in losses to the Organization.</p> <p>E(ii) UNFICYP may not get the most favourable prices on its travel arrangements due to the lack of a comprehensive travel agreement.</p>	<p>Although a 2006 OIOS audit of fuel management in UNFICYP showed that controls are generally adequate, certain weaknesses were identified and recommendations were made to better control fuel resources.</p> <p>The current arrangement whereby air tickets are purchased through a competitive bidding process is, in UNFICYP's opinion, more practical and yields the lowest prices. However, the limited number of travel agents responding to the Mission's requests for bids is an indication of low/ineffective competition.</p>	Operational	Possible	Medium	Moderate Risk

5	Focus Area:	Logistics Management		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
	<p>A(i) The absence of a contingency plan to address unforeseen travel requirements (such as the evacuation of UNFIL staff to Cyprus in 2006) and the lack of cooperation with other Middle East missions may adversely affect the Mission's ability to process emergency travel.</p>	<p>UNFICYP does not have enough resources to handle emergency travel and provide assistance to other United Nations missions in the region.</p>	<p>Strategy</p>	<p>Possible</p>	<p>High</p>	<p>Higher Risk</p>
II	<p>Logistics support services A(i) Missions in the Middle East have identified Cyprus as their safe haven during emergencies/contingencies requiring evacuation. UNFICYP's resources may not be adequate to provide logistical support to the Middle East missions for such purpose.</p>	<p>UNFICYP does not have a contingency plan in place to ensure that it has adequate resources to provide logistical support to the missions in the Middle East in case of an emergency. An emergency evacuation is probable in light of the renewed conflict in the Middle East.</p>	<p>Strategy</p>	<p>Likely Likely</p>	<p>High High</p>	<p>Higher Risk Higher Risk</p>
	<p>F(i) The Mission may not be able to plan and agree with troop contributing countries on the rotation of military logistics staff officers, negatively affecting the delivery of logistics services to the Mission.</p>	<p>UNFICYP intends to closely monitor the replacement, rotation and repatriation of staff officers in order to meet the Mission's operational requirements.</p>	<p>Human Resources</p>	<p>Possible</p>	<p>High</p>	<p>Higher Risk</p>

Risk Assessment of: UNFICYP

6	Focus Area:	Information Technology Management		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
I	<p>IT infrastructure</p> <p>G(i) The Mission's information and communication technology (ICT) systems and infrastructure may not be aligned with the reduced military strength, resulting in idle ICT resources.</p>	<p>UNFICYP continues to maintain an ICT network consisting of 3 satellite Earth station, 9 private automatic branch exchanges (PABX) telephone systems, 26 microwave links over 600 two-way radios, as well as 7 wide area networks connecting 400 desktop and laptop computers and 200 printers. These resources have not been reviewed and adjusted to align with the reduced military strength.</p>	Information Resources	Possible	Medium	Moderate Risk
II	<p>IT security</p> <p>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.</p>	<p>1) General IT controls are in place. 2) Limited use of encryption functions.</p>	Information Resources	Possible	Medium	Moderate Risk
III	<p>Business continuity/disaster recover</p> <p>G(i) The Mission may not have an adequate and detailed disaster recovery plan regarding its communication and information technology services, resulting in loss of vital information.</p>	<p>UNFICYP is developing and testing its disaster recovery plan, as part of the information strategy paper.</p>	Information Resources	Remote	High	Moderate Risk

Risk Assessment of : UNFICYP

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>Operational activities</p> <p>E(i) There may be delays in the rotation of the United Nations Police, which could negatively affect their operations.</p> <p>B(i) Messages disseminated to the public may not be coherent and consistent in the absence of a public information strategy/policy, negatively affecting the Mission's credibility.</p>	<p>UNFICYP has not established procedures to maintain continued dialogue between the UNFICYP Police and the Police Division at Headquarters.</p> <p>UNFICYP does not have a formal public information strategy/policy.</p>	Operational	Possible	Medium	Moderate Risk
			Information Resources	Possible	Medium	Moderate Risk

Risk Assessment of : UNFICYP

9	Focus Area:	Property and Facilities Management		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
I	<p>Property management</p> <p>E(i) The non-alignment of property and facilities to reflect recent changes in staffing resources may result in idle resources.</p> <p>E(ii) The host government may not honour its obligation regarding the Mission's use of the Ledra Palace Hotel. This could negatively affect the provision of accommodation to Mission personnel.</p>	<p>There was no noted decrease in the Mission's properties, in relation to the reduced military troop strength.</p> <p>UNFICYP intends to maintain close liaison and cooperation with host government authorities to ensure the completion of long-standing projects and activities, including the maintenance of the Ledra Palace Hotel.</p>	Operational	Possible	Medium	Moderate Risk
	C(i) The Mission's properties may not be adequately controlled and recorded, resulting in losses to the Organization.	A previous OIOS audit showed control weaknesses in regularly updating non-expendable asset records.	Compliance	Possible	Medium	Moderate Risk

Risk Assessment of : UNFICYP

10	Focus Area:	Safety and Security		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likelihood	Impact	Overall Risk
I	Security A(i) Inadequate planning for changes in the security situation in the Mission area may adversely affect UNFICYP's operations.	OIOS' security audit showed that UNFICYP did not maintain an updated security plan for Cyprus and keep itself abreast of the security situation in the Middle East.	Strategy	Possible	High	Higher Risk
	E(i) The zone warden system for emergency/security situations may not be effective. This situation could put at risk staff's security.	The zone warden system was established in July 2007. UNFICYP intends to update its security plan, conduct quarterly security exercises and undertake Mission-wide security assessment, including residential security surveys.	Operational	Possible	Medium	Moderate Risk
II	Safety 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

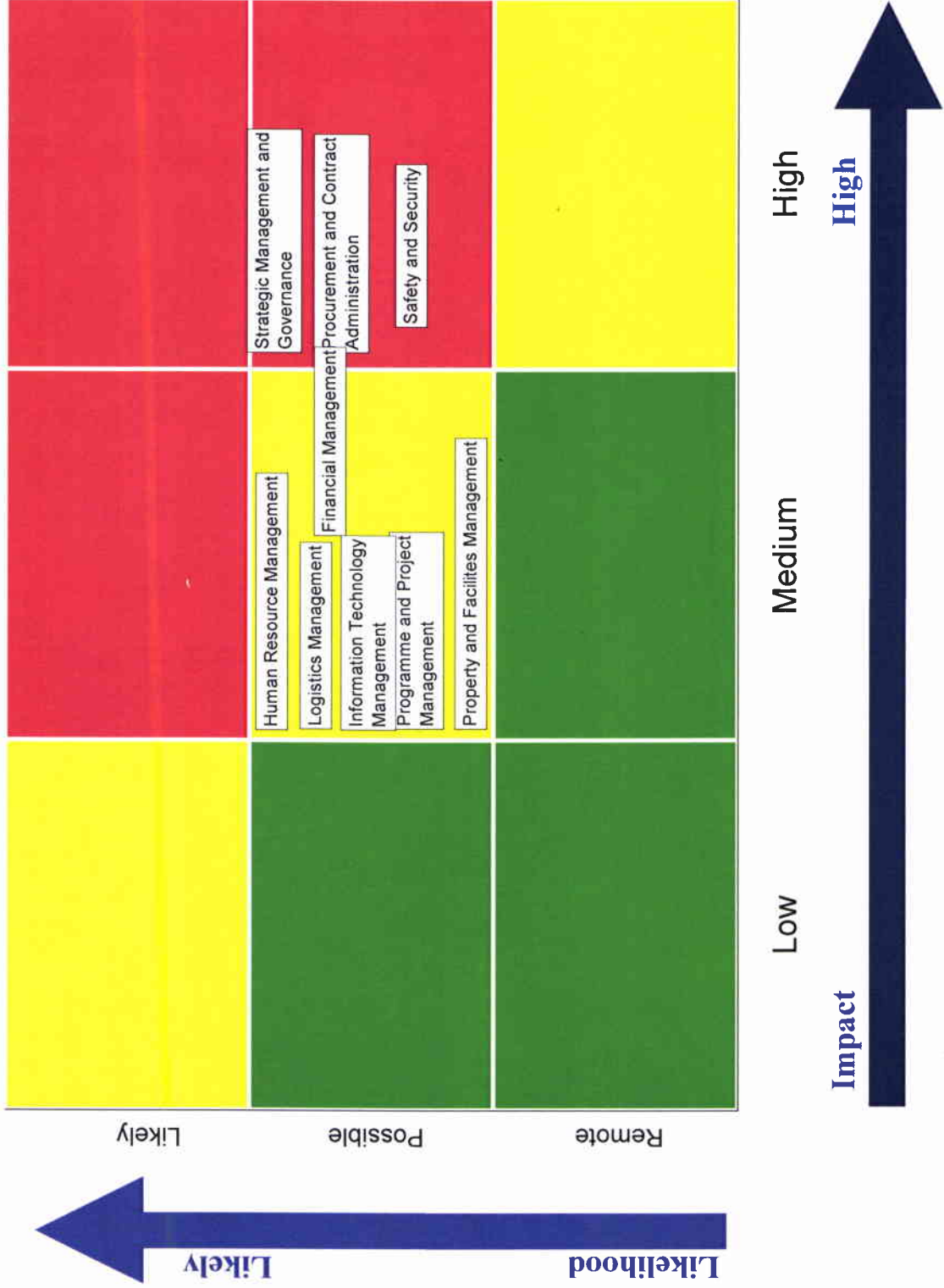
The OIOS Risk Assessment Framework evaluates the likelihood of the risk occurring and the impact it will have if it occurs. Based on the assessment of the two factors an overall risk rating is derived indicating whether the risk of a focus area is High, Moderate or Low. The ratings used is show below:

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

UNFICYP RISK SUMMARY PROFILE (Focus Area)



UNFICYP RISK SUMMARY PROFILE (Sub Focus Area)

