INTERNAL AUDIT DIVISION

RISK ASSESSMENT

United Nations Assistance Mission in Afghanistan

17 November 2008
Assignment No. AP2008/630/05

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. Kai Eide
A: Special Representative of the Secretary-General
United Nations Assistance Mission in Afghanistan

DATE: 17 November 2008

REFERENCE: IAD: 08- 01957

for William Peterson

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

SUBJECT: **Assignment No. AP2008/630/05 - Risk Assessment of UNAMA for 2008**
OBJET:

1. I am pleased to present OIOS' risk assessment of UNAMA, 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 UNAMA 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. Alexandr Sporys, Acting Chief of Staff, UNAMA
Ms. Neva Donalds, Chief of Mission Support, UNAMA
Mr. Swatantra Goolsarran, Executive Secretary, UN Board of Auditors
Ms. Maria Gomez Troncoso, Officer-in-Charge, Joint Inspection Unit Secretariat
Mr. Seth Adza, Operations Review Officer, Department of Field Support
Ms. Christina Post, 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

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 T. Burns, Tel: +.212.963.7.2792, 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 UNAMA, to gain an understanding of existing organizational relationships, risks, controls and process issues.

Table 1: List of participants

Focus Area	Name and Functional Title
Strategic Management and Governance	• Kai Eide, SRSG • Bo Asplund, DSRSG, Pillar 2 • Christopher Alexander, DSRSG, Pillar 1 • Takahisa Kawakami, Chief of Staff • Neva Donalds, Chief of Mission Support • Alexandr Sporys, Deputy Chief of Staff
Programme and Project Management	• Joanne Barrett, Special Assistant DSRSG, Pillar 2 • Hassan Elhag, Senior Civil Affairs Officer • Trevor Martin, Head of Central Office (Kabul) • Nahid Abuakar, Head of Office, Jalalabad • Heran Song, Head of Office, Bamyan • Cecilia Tillada, Senior Rule of Law Officer • David Izadifar, Political Affairs Officer • Vadim Nazarov , Senior Political Affairs Officer • Colonel Carlos Borja, Military Advisor • Rajesh Talwar, Legal Officer • Gaynel Curry, JCMB Liaison Officer • Adrian Edwards, Director of Public Information • Dara Katz, Human Rights Officer • Esteban Sacco, Humanitarian Affairs Officer • Murwarid Ziayee, National Gender Officer • Peter Drewniany, Best Practices Officer • Sarwar Mamound, National Language Officer • Roohullah Sahak, Counter Narcotics Administrative Assistant • Shahmahmood Miakhel, Governance Officer • Anne Falher, UNCT/ Coordination Officer
Safety and Security	• Ravuama Gucake, Field Security Advisor
Human Resources Management	• Hilda Otieno, OIC- Personnel

Focus Area	Name and Functional Title
	• Mary Edel Guzman, Conduct and Discipline Officer • Dr. Joel Binalingbing, Medical Doctor • Maria Borges, Chief Training Officer • Lala Ahmadova, Chief, Staff Counselling/ Welfare Unit • Georgeta Silaghi, Programme Manager-UNV
Procurement and Contract Administration	• Martin Bentz, Chief, Administrative Services • Vichate Garagate, Procurement Officer
Logistics Management	• Htut Win, Chief, Technical Services • Chuwtor Sowe, Travel Assistant • Charles Harris, Chief, Transport Section • Carlos Ferreyra, Chief, Air Operations • Zafar Ahmad, Aviation Safety Officer • Monico Sasis, MOVCON Assistant
Financial Management	• Augustine Sneh, Finance Officer • Raja Safdar, Budget Officer
Property and Facilities Management	• Aristides Alonzo, Asset Manager • Abdul Rahman Alias, R&I Supervisor • Azra Sadikovic, PCIU Supervisor • Rosanna Lucinario, Claims Officer • Amrit Basnyat, Chief, Engineering Section • Mohammad Nader Abid, Warehouse Manager, Asset Management Unit
Information Technology Management	• Adnan Aksel, Chief, CITS

SUMMARY OF RISK RATINGS

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

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

Table 2: Summary of identified risks

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

Risk Assessment of : UNAMA

1	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
I	**Mandate**			Possible	High	Higher Risk
	A (i) Inherently high security risks in Afghanistan may prevent the Mission from pursuing its strategies and operating effectively, and may put UN personnel at risk.	The Mission regularly coordinates with the UN Country Team (UNCT), Security Management Team and the International Security Assistance Force (ISAF) to address security issues.	Strategy	Possible	High	Higher Risk
	A (ii) The Afghan Government may not have the capacity or political will to implement reforms recommended by the Mission on such areas as governance, rule of law, human rights, etc., resulting in the Mission not being able to achieve its mandate.					
	A (iii) Exclusion of key regional players in the implementation of the Afghanistan National Development Strategy may result in its ineffective implementation.	The Mission has set up an implementation strategy for the Afghanistan National Development Strategy, which has been agreed on by the Afghan Government and the international community.				
	A (iv) Inadequate understanding and knowledge by the Afghan population of UNAMA's mandate may result in an expectation gap between UNAMA's mandate (i.e., promoting peace and stability by leading efforts of the international community in conjunction with the Afghan Government) and the Afghans' most pressing needs (i.e., protection against violence and creation of jobs), resulting in the local population's frustration and non-cooperation with the Mission.					

1	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
	A (v) The unavailability of qualified national staff and National Professional Officers (NPOs) as a result of the nearly 30 years of war in Afghanistan, which destroyed schools and prevented the local population from going to school may result in the "Afghanization" of the Mission and national staff expectations in this respect not being realistic or achievable.					

1	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
II	**Organizational structure and functions**			Likely	High	Higher Risk
	B (i) Department of Peacekeeping Operations (DPKO)/Department of Field Support (DFS) may not completely understand the situation on the ground, resulting in inappropriate and untimely advice and support to UNAMA.	The Mission continuously updates United Nations Headquarters (UNHQ) regarding the operational and administrative challenges faced by the Mission, and its budgetary requirements.	Governance	Possible	High	Higher Risk
	B (ii) Lack of or unclear definition of some substantive offices' strategies and objectives may lead to ineffective and inefficient operations (e.g., Political Affairs Division, Military Advisory Unit (MAU), Counter-narcotics Unit, etc.).					
	B (iii) The restructuring of DPKO, with the creation of DFS, may further slow down processes, such as procurement, recruitment and political advice/analysis, that require consultation with or approval by UNHQ.					
	B (iv) Lack of strong governance and the prevailing corruption in the Afghan Government where donors' money may be misused may increase the challenges especially by the Mission to effectively implement their mandate.	The Mission is establishing a single joint databank with the Ministry of Finance and the Ministry of Economy to effectively monitor the use of donors' money to increase transparency and achieve greater aid effectiveness. Also, at the request of the President of Afghanistan, the Mission is working on a joint audit system to report on the disbursements of aid.				
	B (v) Lack of formal mechanisms for coordination and integration between the Mission and other UN agencies may result in missed opportunities for synergies and cost-efficiencies.	The UNCT members meet on a regular basis.				

1	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
	F (i) Lack of expertise on key programmatic areas such as on aid effectiveness may result in ineffective operations and in the inability to measure the Mission's effectiveness in channelling aid to where or which programmes they are needed.	The Mission has proposed a new D-2 post on aid effectiveness in its 2009 budget submission.	Human Resources	Likely	High	Higher Risk
	G (i) Lack of communication/information-sharing between various substantive offices may lead to these sections not understanding/appreciating the linkages between their mandates, resulting in ineffective and inefficient operations.	The Mission organizational structure is generally in line with its mandate.	Information Resources	Likely	High	Higher Risk
III	Control environment			Possible	High	Higher Risk
	B (i) 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 Secretary-General 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 : UNAMA

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	**Fund raising**			Possible	High	Higher Risk
	D (i) Donor funding and attention may decrease after the 2010 elections, which could jeopardize the other important programmes being implemented in Afghanistan (e.g., conduct political outreach activities, coordinate humanitarian aid, monitor human rights, etc.). D (ii) Failure by the international community to honour their financial commitments made during the summits held in 2008 may result in the non-implementation of strategies and actions agreed on in these summits.	The Mission interacts with the President of Afghanistan in implementing new programmes aligned with the Paris Conference and is closely coordinating government reform programmes.	Financial	Possible	High	Higher Risk
II	**Processing of financial transactions**			Possible	Medium	Moderate Risk
	E (i) Limited access to banking facilities in remote regions may result in salary payment delays and vendor payments in cash, the latter one resulting in a safety risk for staff conducting the cash transfers and potential financial losses due to theft and fraud. E (ii) The use of funds in regional/provincial offices may not be adequately monitored, resulting in financial losses and increased fraud risks.	Major contractors are paid through bank transfer, limiting the cash payments to relatively small amounts.	Operational	Possible	Medium	Moderate Risk
	F (i) Due to difficulties in recruiting staff, financial transactions may be processed by unsupervised and inexperienced staff. As a result, financial transactions may not be processed in accordance with UN regulations and rules which could ultimately result in errors.		Human Resources	Possible	Medium	Moderate 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
	G (i) Lack of interface between stand-alone finance applications (Sun System, ProGen, Chase payment system) may lead to inefficiencies and inaccuracies in processing financial transactions.		Information Resources	Possible	Medium	Moderate Risk
III	Budgeting process			Possible	Medium	Moderate Risk
	E (i) The budgeting process may be inflexible, resulting in the Mission's inability to channel resources to changes in its core operations and/or mandates.		Operational	Possible	Medium	Moderate Risk

Risk Assessment of : UNAMA

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
I	**Recruitment**			Likely	High	Higher Risk
	D (i) DPKO/ DFS/ the Controller may not fully understand the situation in UNAMA and so may cut budget proposals for the increase in the number of Mission support staff. This situation may lead to the provision of inadequate administrative and technical support to the substantive components of the Mission.	Mission support units re-submitted their justification for the new administrative and technical posts requested for the 2009 budget.	Financial	Likely	Medium	Higher Risk
	E (i) Complex human resource rules and procedures on entitlements may lead to difficulties in administering entitlements, especially due to multiple contract types/conditions of service, resulting in error, overpayment and excessive administrative workload. E (ii) Rules and requirements (e.g., advanced college degrees) for the recruitment of NPOs may not be applicable to the local labour market, resulting in irregularities in the filling of NPO posts.	The Mission has identified this issue and is starting to address it by reviewing the NPOs' credentials.	Operational	Likely	Medium	Higher Risk

3	Focus Area:	Human Resource Management		Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
	F (i) There may be delays in filling posts as a result of the recruitment process being complicated, protracted and/or inflexible. F (ii) Increased challenges in recruiting national staff may result from the unavailability of qualified candidates in the local labour market. F (iii) Increased challenges in attracting, recruiting and retaining qualified international staff may result from the unattractive recruitment conditions in Afghanistan, e.g., higher compensation and better conditions of service in other UN agencies and organizations, competition with other missions with less adverse conditions or with higher mission subsistence allowance. F (iv) Candidates recommended by the Field Personnel Division/DFS may not be suitable for positions in UNAMA, resulting in delays and/or difficulties filling posts and in excessive workload in the substantive offices of the Mission.	UNHQ recently delegated authority to the Mission to handle a substantial portion of the recruitment process. The incoming human resource Tiger Team will support the recruitment of staff. DFS established a reference checking unit at the United Nations Logistics Base (UNLB) to perform reference checks of all recruited peacekeeping mission staff. DFS is in the process of acquiring and implementing a new talent management system, which will enable electronic screening of candidates. Generic vacancy announcements are being revised to simplify language and to be targeted towards attracting external candidates.	Human Resources	Possible	High	Higher Risk

3	Focus Area:	Human Resource Management		Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
	G (i) Current IT tools used for recruitment (e.g. filtering function of Galaxy, screening, etc.) may not adequately address current needs, resulting in inefficiencies and delays.	DFS is in the process of acquiring and implementing a new talent management system, which will enable electronic screening of candidates.	Information Resources	Possible	Medium	Moderate Risk

3	Focus Area:	Human Resource Management		Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
II	**Conduct and discipline**			Possible	High	Higher Risk
	B (i) Misunderstanding of management and staff of the role of the Conduct and Discipline Unit (CDU) may lead to an expectation gap and frustration of both groups about CDU's work, resulting in decreased willingness by management to cooperate with CDU and potential abuse of authority by management trying to act on cases without consulting CDU.		Governance	Possible	Medium	**Moderate Risk**
	C (i) Inadequate action by management regarding non-compliance with UN regulations and rules, e.g., on sexual exploitation, may lead to rules becoming meaningless, negatively affecting the UN's reputation.	Mandatory online training programmes are in place to sensitize staff on sexual exploitation and abuse policies.	Compliance	Possible	High	**Higher Risk**
	E (i) A customized set of conduct and discipline training materials designed for other missions may be inappropriate in Afghanistan due to different cultural and religious beliefs and may therefore be ineffective and counter-productive.		Operational	Possible	Low	**Lower 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 (i) Discrimination of national staff from one ethnic group or tribe from another may negatively affect the work environment, the recruitment of national staff and UNAMA's reputation.		Human Resources	Possible	High	Higher Risk
III	**Medical services**			Possible	Medium	Moderate Risk
	D (i) The Mission may process false Medical Insurance Plan claims submitted for payment, resulting in financial losses.	The Chief Medical Officer validates the medical insurance claims before they are approved by the Personnel Section for payment.	Financial	Possible	Low	Lower Risk
	E (i) Lack of a medical plan for mass casualties due to natural disasters and acts of war may increase staff safety risks. E (ii) Medicines and other medical supplies may not be adequately controlled, resulting in theft and losses. E (iii) The Medical Services Section may not be adequately managed, resulting in the ineffective and inefficient delivery of medical services.	UNAMA and UN agencies coordinate with United Nations Department of Safety and Security and ISAF to provide emergency assistance in case of mass casualties. Also, UNAMA has a memorandum of understanding (MOU) with ISAF to provide emergency medical service to UNAMA staff. DFS conducted a medical support workshop in UNLB from 8 to 12 September 2008. The workshop was designed to address operational and logistical medical support issues in field missions in order to improve managerial and logistical skills of Chief Medical Officers.	Operational	Possible	Medium	Moderate Risk
	F (i) Medical capacities within (UN clinics, medical personnel and emergency medical evacuation facility) and outside Mission (local clinics) may not be adequate, resulting in increased staff health and safety risks.	UNAMA has an existing MOU with ISAF to provide emergency medical services to UN staff.	Human Resources	Possible	Medium	Moderate Risk

3	Focus Area:	Human Resource Management		Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
IV	**Staff welfare**			Possible	Medium	**Moderate Risk**
	B (i) Inadequate staff-management dialogue on staff issues (e.g., shuttle bus service for national staff, relationship with Staff Union), may result in complaints from the Staff Union, strikes, etc. and cause disruption in operations. B (ii) Inadequate security arrangements for national staff who may be at risk for working with the UN may result in increased safety risks.		Governance	Likely	High	**Higher Risk**
	F (i) Psychological and physical health challenges may arise as a result of inadequate attention/priority/ resources given to the establishment of recreational facilities, counselling services, staff welfare organized trips, etc. to reduce the stress levels of staff members, particularly in regional offices.	New staff members participate in an induction programme which provides them with tools to better cope with the challenges in the Mission. Staff are entitled to occasional recuperation break.	Human Resources	Possible	Medium	**Moderate Risk**

Risk Assessment of : UNAMA

4	Focus Area:	Procurement and Contract Administration		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
I	**Procurement administration**			Possible	High	Higher Risk
	C (i) The underdeveloped commercial market in Afghanistan may result in limited competition and subsequently in the Mission's inability to comply with procurement rules, resulting in financial losses and increased fraud risks to the Mission.		Compliance	Possible	Medium	Moderate Risk
	C (ii) Difficulties in recruiting and retaining qualified staff may result in procurement activities not being performed in accordance with regulations and rules, resulting in financial losses and increased fraud risks.	UNAMA Section Chiefs and focal points participated in a training on procurement conducted by the Procurement Division from UNHQ in April 2008.				
	C (iii) Procurement information provided to vendors, such as purchase orders (PO), are written in English while many local vendors do not communicate in English, and staff with language skills helping to interpret, may result in misunderstanding. This situation may result in non-compliance with the terms and conditions of the PO and increased fraud risks.	Staff with language skills sometimes help to interpret.				

4	Focus Area:	Procurement and Contract Administration		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
	E (i) The procurement process may be complicated, protracted or may not be applicable to local market conditions (e.g., lack of or limited competition), resulting in the delayed procurement of goods and services. E (ii) Local contractors may not have the capacity to meet UNAMA's requirements (e.g., heavy machinery for construction) and the quality of goods and services that these contractors offer may be inferior, resulting in difficulties in logistics operations. E (iii) Lack of a requisition plan may result in the ineffective, inefficient and costly procurement of goods and services. E (iv) Requisitioners may not have adequate capacity in creating specifications, which could delay the procurement of goods/services and could also result in the procurement of the wrong goods/services. E (v) The slow response time by UNHQ in approving procurement requests may cause excessive procurement lead time. This situation can hamper the Mission's operations.		Operational	Possible	High	Higher Risk
II	**Contract management**			Possible	High	Higher Risk
	E (i) UNAMA may not have adequate contract management capacity resulting in unchecked/ uncorrected vendor performance, cost and time overruns and financial losses.		Operational	Possible	High	Higher Risk

Risk Assessment of : UNAMA

5	Focus Area:	Logistics Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
I	**Logistics support**			Possible	High	Higher Risk
	C (i) Agreed fixed price contracts with local fuel contractors may not be complied with and they may refuse to deliver when fuel prices increase which may require UNAMA to pay higher prices.		Compliance	Likely	Medium	Higher Risk
	E (i) Inherently high security constraints may delay the deployment of equipment and ultimately delay the expansion of the Mission to the regions. E (ii) Inadequate fuel reserves may disrupt the operations of the Mission in case the security situation at the border between Afghanistan and Pakistan worsens, cutting of fuel supply coming from Pakistan. E (iii) The provision of logistics support (e.g., ICT equipment & access to ICT network, vehicles, medical services, etc.) to a number of UNDP individual contractors may overstretch the capacity of UNAMA and may lead to low quality service. E (iv) Routes to regional/provincial offices may be cut off due to the worsening security situation, resulting in increased difficulties to deliver goods and services. E (v) Lack of a fully operational Fuel Cell may hamper the monitoring of fuel, resulting in increased fraud risk and financial losses.		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	Likeli-hood	Impact	Overall Risk
II	**Movement control**			Likely	Medium	Higher Risk
	E (i) Difficult supply routes due to UNAMA being landlocked and inadequate road infrastructure may result in delays in the delivery of procured supplies and equipment (such as vehicles, spare parts, IT equipment, etc.) into the Mission and their onward delivery to the regions, resulting in difficulties in logistical operations, theft or accidents.	The Mission requested a cargo plane in its 2009 budget.	Operational	Likely	High	Higher Risk
	F (i) Lack of training in the handling of dangerous cargo (such as fuel) may result in accidents.	The Movement Control Unit requires a list of goods before cargo is transported.	Human Resources	Possible	High	Higher Risk
III	**Air operations**			Possible	High	Higher Risk
	A (i) Lack of a strategy to deliver goods to the regional offices timely, efficiently and in a secure way such as by using cargo planes may result in loss of goods and ineffective support to the regional offices.	The Mission requested, in its 2009 budget, a medium-sized jet for domestic and international travel, and a small jet for short trips.	Strategy	Possible	Medium	Moderate Risk
	E (i) Inherently high security risk in Afghanistan and insufficient aircraft may prevent the Mission from effectively pursuing its plans to expand the Mission into the regions.	The Mission requested, in its 2009 budget, a medium-sized jet for domestic and international travel, and a small jet for short trips.	Operational	Possible	High	Higher Risk
	F (i) Air operations staff may lack experience and technical skills, resulting in the improper performance of air operations functions and increasing air safety risks. F (ii) The delayed filling of the Air Safety Officer post with an adequately suitable person in this specialized field may result in aviation safety standards not being complied with, resulting in increased air safety risks.	The section requested an additional international staff in its 2009 budget. A staff member on temporary duty was recruited in July 2008 to fill the post until the arrival of the selected candidate.	Human Resources	Possible	High	Higher Risk

5	Focus Area:	Logistics Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
IV	**Ground transportation**			Possible	High	Higher Risk
	E (i) Insufficiently armoured vehicles or delays in their procurement and delivery may expose UNAMA personnel to security risks and prevent them from performing their duties. E (ii) Overlapping/unclear supervisory control over the drivers at Compound B between the Surface Transport Section and programme managers may result in ineffective fleet management.	The Mission has 60 armoured vehicles and expects delivery of 13 vehicles in the next few months. In addition, the Mission has requested an additional 177 armoured vehicles in its budget submission for 2009. The Personnel Section coordinates with the Surface Transport Section for approval of claims on overtime pay by drivers.	Operational	Possible	High	Higher Risk

Risk Assessment of : UNAMA

6	Focus Area:	Information Technology Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
I	**ICT infrastructure**			Likely	High	Higher Risk
	E (i) ICT networks may not be consistently available, especially during security crises, endangering lives of UN personnel.		Operational	Likely	High	Higher Risk
	F (i) Lack of or insufficient training on IT systems (Galileo, Mercury, Nucleus, etc.) may result in improper processing of transactions.	The Mission provides online training programmes for software used by UNAMA.	Human Resources	Likely	Low	Moderate Risk
	G (i) Highly sensitive/confidential information may not be adequately secured, exposing these information to unauthorized access and disclosure.	The Mission is acquiring more secure hardware and software for the transmittal of highly sensitive information.	Information Resources	Likely	High	Higher Risk
II	**ICT disaster recover and business continuity planning**			Remote	High	Moderate Risk
	E (i) UNAMA may suffer major ICT systems failure which could halt its operations. E (ii) Lack of a properly documented and tested business continuity plan may result in disruptions in operations.		Operational	Remote	High	Moderate Risk

Risk Assessment of : UNAMA

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
I	**Military liaison activities**			Possible	High	Higher Risk
	A (i) Lack of strategy and terms of reference of the MAU may result in ineffective operations.		Strategy	Possible	High	Higher Risk
	G (i) Lack of an enforceable information-sharing mechanism may result in an inconsistent level of information-sharing with ISAF and the MAU, resulting in their inability to provide Mission management with information needed to make decisions.	The UNAMA Security Information and Operation Center was created to perform security analysis and coordinate with international security partners.	Information Resources	Possible	Medium	Moderate Risk
II	**Human rights programme**			Possible	Medium	Moderate Risk
	A (i) The Mission may not give adequate focus/priority to human rights, resulting in a less effective programme delivery.		Strategy	Possible	Medium	Moderate Risk
	C (i) There may be overlaps between gender, children and human rights issues, resulting in confusion on responsibilities, i.e., who is responsible for what. This situation could ultimately result in inefficient operations. C (ii) Perceptions of political realities/imperatives being given more weight/priority or focus than human rights issues, may result in credibility/reputation risks.		Governance	Possible	Medium	Moderate Risk

7	Focus Area:	Programme and Project Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
	E (i) The international community may fail to consider human rights as an essential part of promoting peace and maintaining security in the country, resulting in less support for the human rights programme and in less effective programme implementation. E (ii) Access to human rights victims may be restricted due to the security situation, hindering the Human Rights Unit from performing its duties.	The Mission coordinates with the Provincial Reconstruction Team (PRT) during field visits because the PRT has the ability to provide fast and flexible assistance in insecure regions.	Operational	Possible	Medium	Moderate Risk
III	**Electoral programme**			Possible	High	Higher Risk
	E (i) The tight time tables and security constraints (particularly in certain areas where insurgents can disrupt voter registration) may negatively affect the 2009 presidential elections and 2010 parliamentary elections. E (ii) Elections may not be conducted in a representative and transparent manner, resulting in the mission's failure to effectively support the elections.		Operational	Possible	High	Higher Risk
IV	**Counter-narcotics programme**			Possible	High	Higher Risk
	A (i) The lack of consensus or the differing views of relevant actors (including the Afghan Government) and donors on how to address the narcotics problem may result in ineffective programme implementation.		Strategy	Possible	High	Higher Risk
	E (i) The Afghan Government may not have the capacity or political will to effectively proceed against the narcotics industry.		Operational	Possible	High	Higher Risk

7	Focus Area:	Programme and Project Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
	F (i) The Mission may not have sufficient capacity to support the counter-narcotics efforts of the Afghan Government and the international community which may result in ineffective programme implementation.		Human Resources	Possible	High	Higher Risk
V	**Political and civil affairs programme**			Possible	High	Higher Risk
	B (i) The local population's perception of the Mission as an institution imposing foreign values through its political advice/proposals to the Afghan Government may result in the government rejecting the Mission's advice.	The Mission ensures that judicial reform proposals adequately consider the need to balance the application of Sharia and international laws.	Governance	Possible	High	Higher Risk
	E (i) Access to regions may be restricted due to the local security situation, hindering the Political Affairs Unit from reaching out to their local contacts, resulting in inadequate political and monitoring outreach activities.		Operational	Possible	High	Higher Risk

7	Focus Area:	Programme and Project Management		Possible	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
VI	**Humanitarian affairs programme**			Possible	High	Higher Risk
	A (i) The inherent difference between the nature of the Mission (i.e., it being a political mission, working with the Afghan Government) and the fundamental requirement for absolute neutrality when conducting humanitarian activities may result in challenges in delivering the humanitarian affairs programme.	OCHA will open an office in Kabul to be staffed by a significant number of humanitarian affairs officers.	Strategy	Possible	High	Higher Risk
	B (i) The Afghan Government might be more interested in aid for development than aid for humanitarian causes, resulting in a lack of support for humanitarian work and in the continued suffering of the most needy people. B (ii) The Afghan Government at the regional level may try to channel humanitarian assistance toward certain groups on the basis of ethnic or tribal affiliation rather than objective humanitarian assistance criteria, making such assistance a potential catalyst for greater government corruption.		Governance	Possible	High	Higher Risk
	E (i) The inconsistent modes of delivering humanitarian aid by various agencies and organizations may lead to expectations by refugees/internally displaced persons that could not be met by the Mission.		Operational	Possible	Medium	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
VII	**Judicial advisory programme**			Possible	Medium	**Moderate Risk**
	E (i) Failure to consider the local customs/practices when providing judicial advice to the Afghan Government may result in ineffective programme delivery. E (ii) Local judicial system/infrastructure may be weak, resulting in increased challenges in providing judicial support to the Afghan Government. E (iii) The Afghan Government may not have the skills, capacity or political will to promote and implement reforms on transitional justice.		Operational	Possible	Medium	**Moderate Risk**
VIII	**Public information programme**			Possible	Medium	**Moderate Risk**
	B (i) There may be difficulties in measuring and monitoring the progress of the public information programme due to its intangible nature, which might negatively affect the ability of the Strategic Communications and Spokesperson's Unit to achieve its objectives.		Governance	Possible	Medium	**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
IX	**Coordination and monitoring of Afghanistan National Development Strategy implementation**			Possible	High	Higher Risk
	B (i) The level of political commitment of the international community and the Afghan Government to implement the Afghanistan National Development Strategy may not be consistent, resulting in difficulties in achieving this aspect of the Mission's mandate. B (ii) The ongoing reform of the Joint Coordination and Monitoring Board (JCMB) process and the transition of the new Afghan Government representative may present more challenges in the monitoring and coordination of the Afghanistan National Development Strategy implementation. B (iii) Donors may not be willing to be coordinated or led by UNAMA, resulting in more challenges in the monitoring and coordination of the Afghanistan National Development Strategy implementation.		Governance	Possible	High	Higher Risk
	F (i) The Afghanistan National Development Strategy Support Unit may not have sufficient staff to perform its functions.		Human Resources	Possible	Medium	Moderate Risk
X	**Gender programme**			Possible	Medium	Moderate Risk
	B (i) The promotion of women's rights may lack the support of Afghan institutions, resulting in the ineffective implementation of gender programmes.	The international community supports the Afghan Government in promoting women's rights.	Governance	Possible	Medium	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
XI	**Institutional development and governance**			Possible	High	Higher Risk
	A (i) The governance programme strategy, which was designed for a post-conflict setting, may not be appropriate for the current situation in Afghanistan, which is still in conflict, resulting in ineffective programme implementation.		Strategy	Possible	High	Higher Risk
	D (i) Inadequate financial support by the international community and insufficient planning by the Afghan institutions may result in weak institutions, resulting in increased challenges for UNAMA in achieving its governance mandate.		Financial	Possible	High	Higher Risk
XII	**Coordination of UN country team activities**			Possible	Medium	Moderate Risk
	A (i) UNAMA or UN agencies leaving Afghanistan due to the security situation may result in other agencies following, resulting in decreased support for Afghanistan by the international community.		Strategy	Remote	High	Moderate Risk
	D (i) The level of external funding for development work in Afghanistan may not be consistent, jeopardizing the implementation of United Nations Country Team development programmes.		Financial	Possible	Medium	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
XIII	**Regional offices**			Possible	High	Higher Risk
	A (i) Lack of a clear strategy and expected outcomes for the expansion of the Mission into more regions and provinces may result in ineffective operations.		Strategy	Possible	High	Higher Risk
	B (i) Lack of communication and guidance by UNAMA headquarters management to regional offices may result in ineffective operations.		Governance	Possible	Medium	Moderate Risk
XIV	**Joint Mission Analysis Centre**			Possible	Medium	Moderate Risk
	G (i) Difficulties in verifying information used by the Joint Mission Analysis Centre to provide advice on various issues to UNAMA officials may result in wrong advice or low-quality information analysis.		Information Resources	Possible	Medium	Moderate Risk

Risk Assessment of : UNAMA

9	Focus Area:	Property and Facilities Management		Possible	Medium	Moderate Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
I	**Inventory management**			Possible	Medium	**Moderate Risk**
	C (i) Staff may not be willing to sign for common assets (e.g., photocopiers), increasing the chances for fraud and loss of assets.		Compliance	Remote	Low	**Lower Risk**
	E (i) The Mission may not be able to accommodate the arrival of ordered equipment, resulting in increased challenges in securing them and exposing them to the elements if they are not properly stored, especially sensitive IT equipment. E (ii) Harsh environmental conditions and poor physical infrastructure in the country may cause properties to deteriorate faster than normal.		Operational	Possible	Medium	**Moderate Risk**
II	**Office premises and facilities**			Possible	Medium	**Moderate Risk**
	E (i) Office premises, accommodation space and basic logistical support for the expansion of the Mission may not be ready in time due to construction delays, resulting in increased challenges to provide secure working conditions and delays in the deployment of personnel to the regions.		Operational	Possible	Medium	**Moderate Risk**

Risk Assessment of : UNAMA

10	Focus Area:	Safety and Security		Likely	High	Higher Risk
No	Interview/Review Summary (Description of risk)	OIOS Assessment	Risk Category	Likeli-hood	Impact	Overall Risk
I	**Security of UN staff and premises**			Likely	High	Higher Risk
	A (i) The designation of the security phase for UNAMA may be politically influenced, resulting in an incorrect rating and putting the lives of UN staff at risk.		Strategy	Possible	High	Higher Risk
	E (i) UNAMA security needs may not be given priority by ISAF, endangering the lives of UN personnel. E (ii) UNAMA's association with the Afghan Government may result in the Mission being targeted for attacks by insurgents, increasing security risks to Mission personnel.		Operational	Likely	High	Higher Risk
II	**Contingency planning**			Likely	High	Higher Risk
	E (i) The Mission may not have an approved and tested contingency plan, resulting in increased staff safety and security risks. E (ii) The Mission may not have sufficient food, water and fuel reserves in case of prolonged emergencies, endangering the lives of UN personnel.		Operational	Likely	High	Higher Risk
	G (i) Lack of backup communication during emergencies may compromise staff security.		Information Resources	Likely	High	Higher Risk
III	**Occupational safety**			Possible	High	Higher Risk
	E (i) The Mission may not give adequate attention/priority to occupational safety and health issues (e.g., use of helmets, bullet proof vests, first aid kits, etc), increasing staff safety risks.		Operational	Possible	High	Higher Risk

Focus Areas

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

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

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

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

Risk Categories

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

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

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

Risk Assessment Ratings

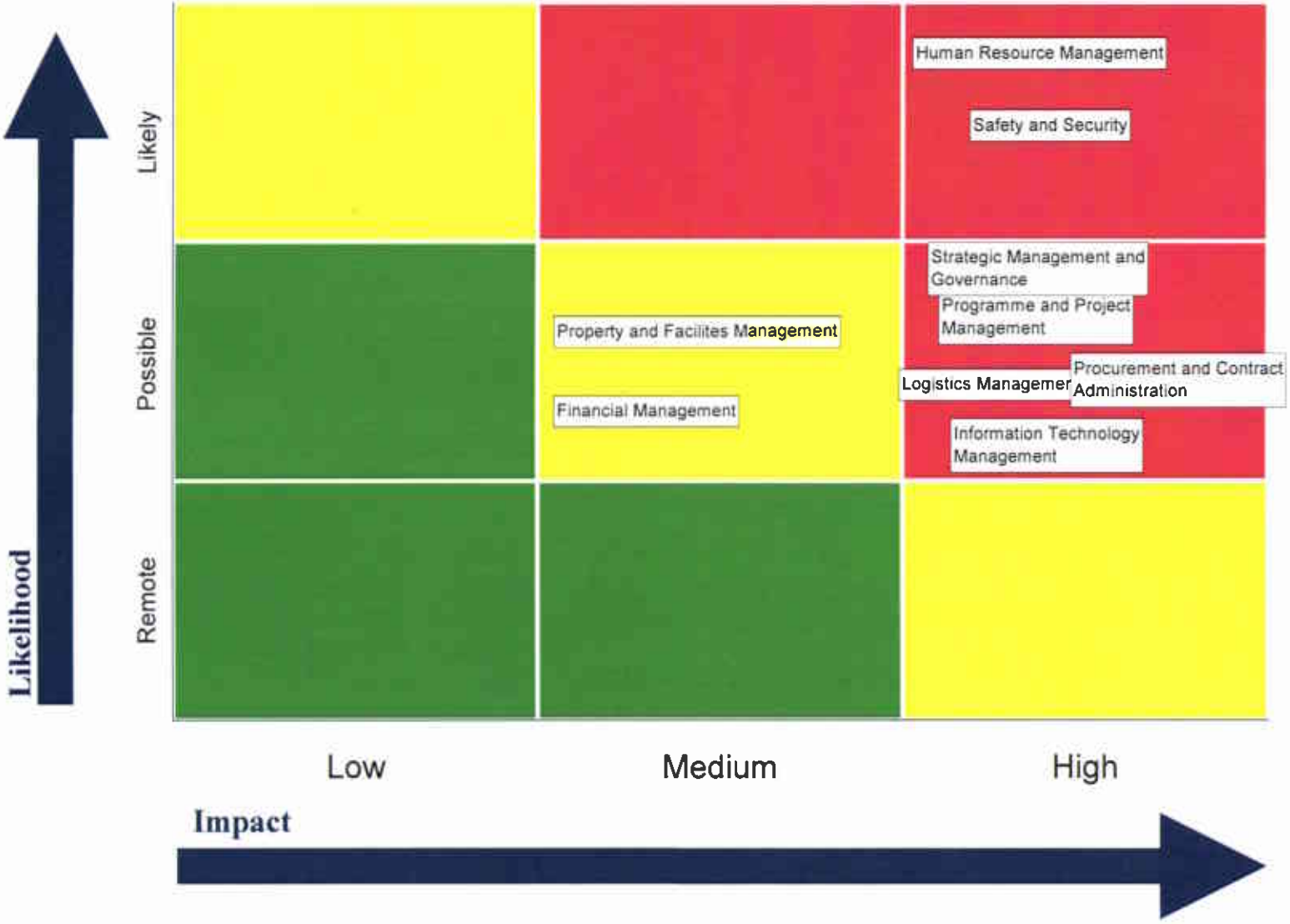
The OIOS Risk Assessment Framework evaluates the likelihood of the risk occurring and the impact it will have if it occurs. Based on the assessment of the two factors an overall risk rating is derived indicating whether the risk of a focus area is High, Moderate or Low. The ratings used are shown below:

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

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

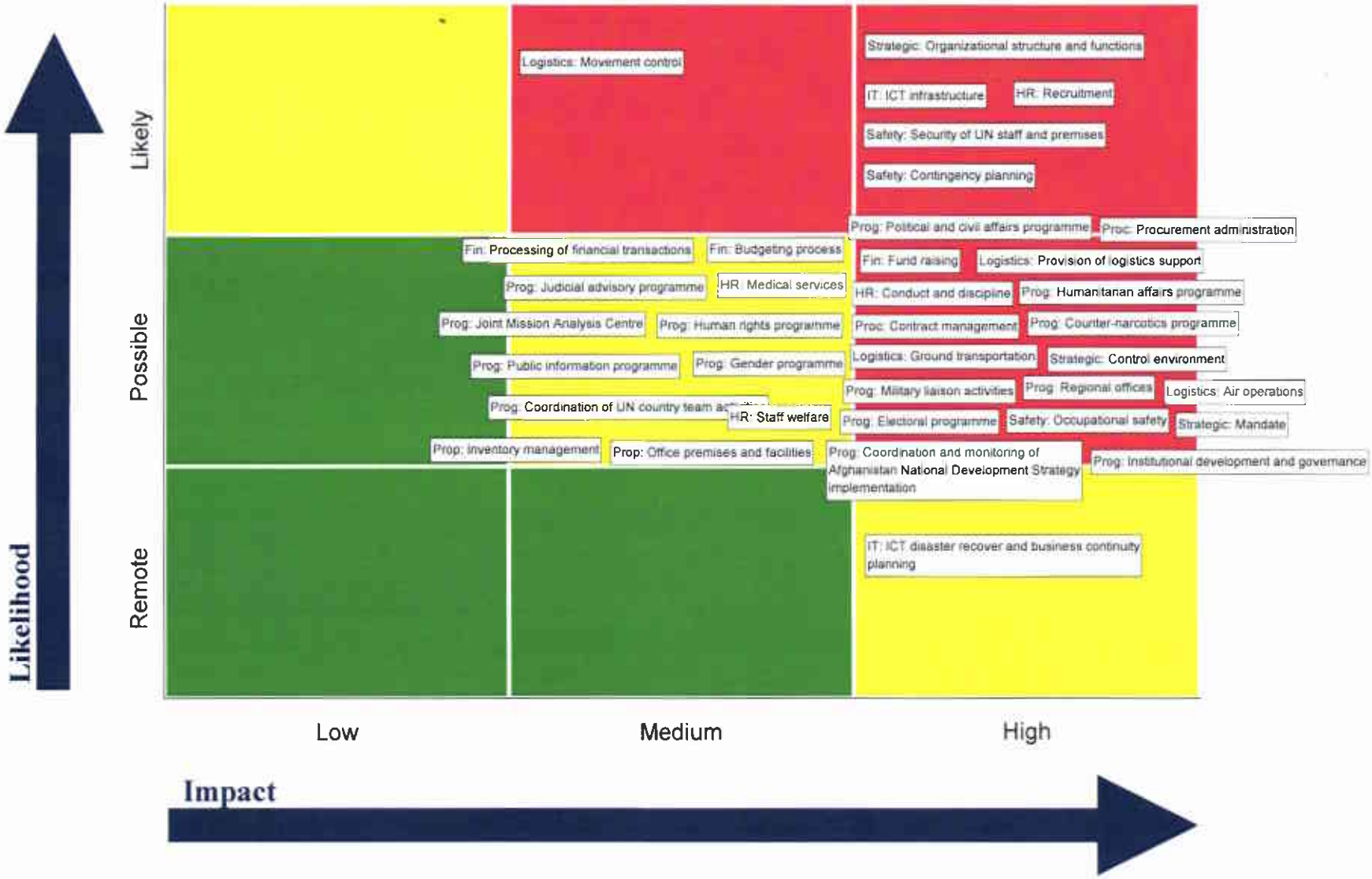
	Overall Risk Combinations Impact and Likelihood
Higher Risk	The identified issue represents the following likelihood and impact combinations: • Likely and high • Likely and medium • Possible and high
Moderate Risk	The identified issue represents the following likelihood and impact combinations • Likely and low • Possible and medium • Remote and high
Lower Risk	The identified issue represents the following likelihood and impact combinations • Possible and low • Remote and low • Remote and medium

RISK SUMMARY PROFILE (Focus Area)



17/11/2008

RISK SUMMARY PROFILE (Sub Focus Area)



17/11/2008