

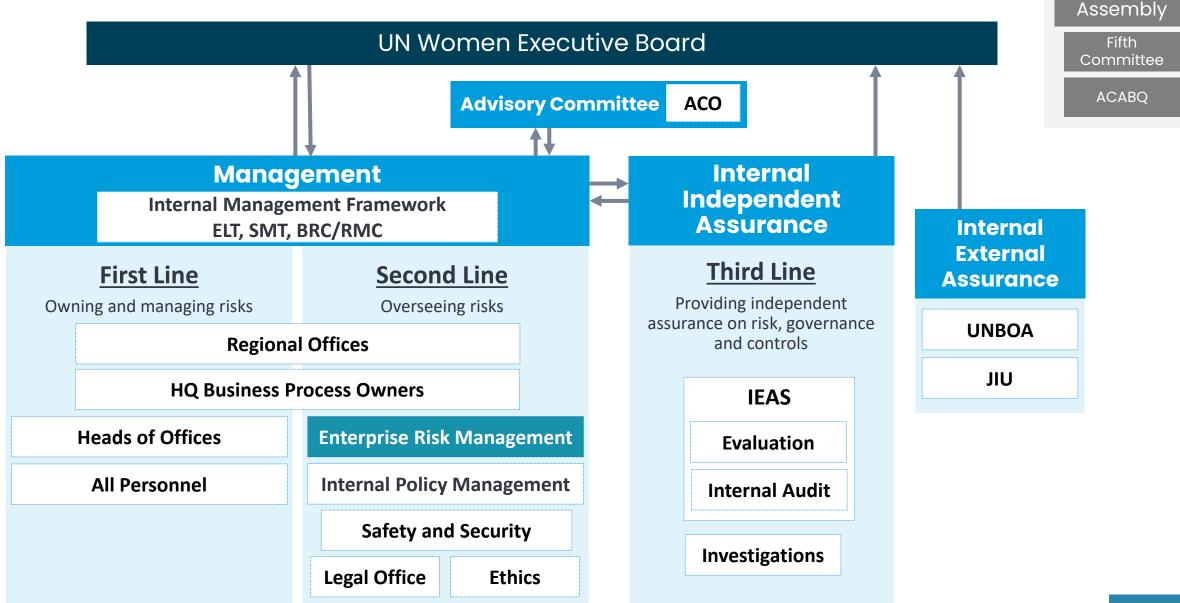


## Informal Briefing on Risk Management

3 April 2024

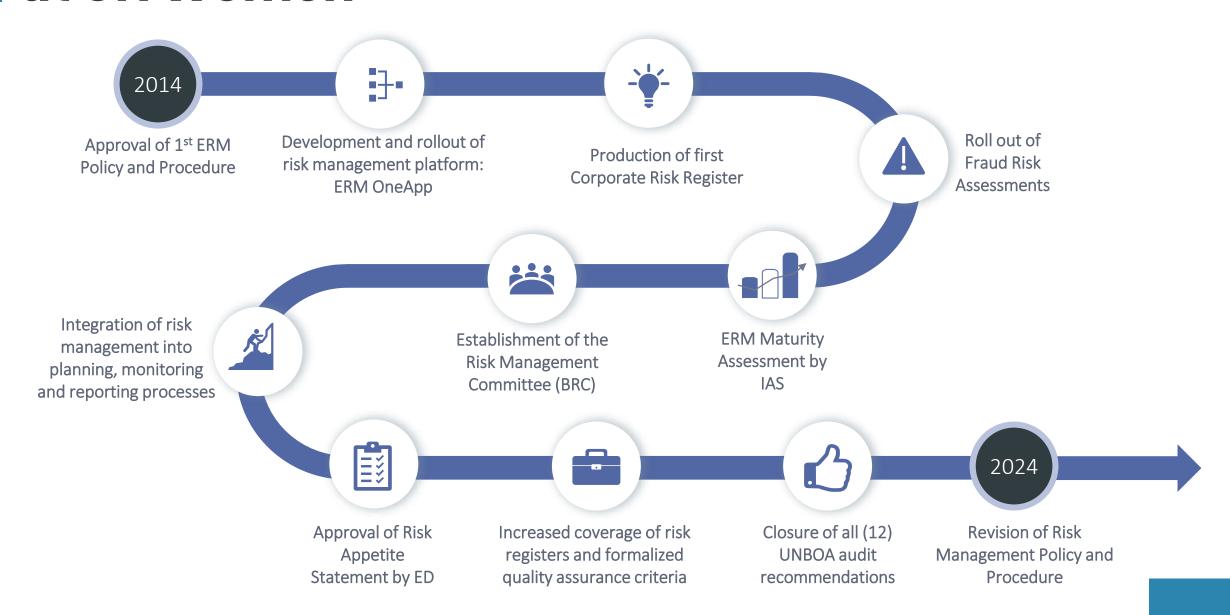
Enterprise Risk Management (ERM) Team Strategy, Planning, Resources and Effectiveness Division

### **UN Women's Three Lines Model**



General

## A decade of Enterprise Risk Management at UN Women

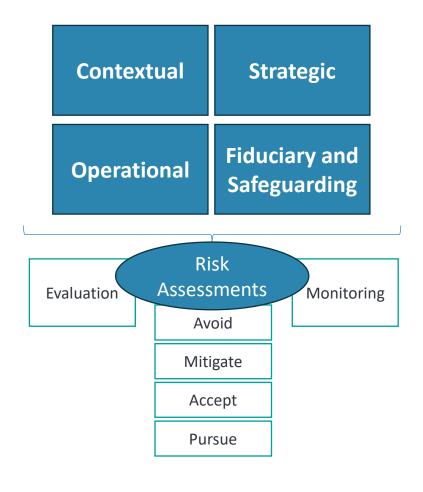


## Joint Inspection Unit (JIU) Benchmarks for ERM

#	Benchmark	Status
1	Adoption of a systematic and organization-wide risk management policy and/or framework linked to the organization's strategic plan	Achieved
2	Formally defined internal organizational structure for ERM with assigned roles and responsibilities	Achieved
3	Risk culture fostered by "tone at the top" with full commitment from all organizational levels	In progress
4	Legislative/governing body engaged with enterprise risk management at the appropriate levels	In progress
5	Integration of risk management with key strategic and operational business processes	Achieved
6	Established systematic, coherent and dynamic risk management processes	Achieved
7	Effective use of information technology systems and tools for enterprise risk management	Achieved
8	Communication and training plans to create risk awareness, promote risk policy and establish risk capabilities for the implementation of enterprise risk management	In progress
9	Periodic and structured review of effectiveness of ERM implementation for continuous improvement	Achieved
10	Inter-agency cooperation and coordination for systematic knowledge sharing and management of common and/or United Nations system-wide risks	Achieved

## Risk Management at UN Women

#### **ERM Framework**



### Roles & Responsibilities

**Executive Board Risk Management Committee Chief Risk Officer** 

#### **First Line**

Risk identification, assessment, escalation, mitigating, monitoring

#### **Second Line**

Corporate risk governance, technical and advisory support, management oversight

### **Risk Appetite**

#### **Risk Appetite Statement**

The amount and type of risk that UN Women is willing to retain in pursuit of its strategic objectives



>>> Applied at a strategic level during the Strategic Note Risk Assessment

#### **Risk Tolerance Thresholds**

The **boundaries** of **risk taking** outside of which UN Women is not prepared to venture in pursuit of its objective.



>>> Applied at a tactical level during performance management)

## Corporate Risk Management Process

01



Use of the Risk Profile to create an internal publication showcasing key risks and agreed upon corporate response plans, also highlighting emerging risks.



#### **Risk Analysis**

Unit-level risk data aggregated in Q1 of each year to build UN Women's bottom-up risk profile and resented to Technical Management Group for qualitative inputs and discussion



04

#### **Risk Profile**

Developed through deliberations with Risk Management Committee (BRC) by applying a top-down perspective to identify the main corporate risks

Risk Management activities are aligned with and firmly embedded into Planning, Monitoring and Reporting activities

Strategic Note (SN) Risk Assessments conducted at unit-level to develop multi-year risk register

- Facilitated 'deep dive' with ERM team
- Dedicated quality assurance to ensure compliance with corporate standards

+ 6-monthly monitoring to validate unit-level risk profile and update mitigating actions

### **UN Women's Risk Assessment Universe**

4-year SN Risk Assessment, with 6-monthly validation

**UNIT-LEVEL** 

Completed by business processes and field offices

FRAUD RISK ASSESSMENTS

Project-level
Programme partners
Private sector partners
Social and environmental

"MICRO-LEVEL"

Completed by field offices and managed by Safety and Security

SECURITY RISK ASSESSMENTS

"Macro-level" conducted by the Risk Management Committee

**TOP-DOWN** 



UN Women's Risk Profile

## **UN Women's Risk Categorization**

## Contextual

# Operational

- Political and civil country risk
- Safety and security
- Climate change
- 4. Economic climate
- External governance
- Programme partner management

- Funding and resource mobilization
- Coordination with internal / external parties
- Programme and project management
- **Business transformation**
- Donor relationship management
- Reputational and stakeholder management 13. Engagement with private sector partners

- 14. Operational support
- 15. Information security, technological support
- 16. HR retention, succession, recruitment
- 17. HR personnel skills
- 18. Liabilities, litigation, claims and disputes
- 19. Occupational health and safety (OHS)
- 20. Engagement/management of third parties

- 21. Internal governance
- 22. Sexual harassment, sexual exploitation
- 23. Programme and project related fraud
- 24. Financial and assets fraud
- 25. Human resources fraud
- 26. Procurement fraud

Fiduciary and Safeguarding

Strategic

## **2024 Key Corporate Risks**

Risk Area	Risk Category	Risk Appetite	Risk Rating	Risk Indicators
Funding and resource mobilization	Strategic	High		<ul><li>% of revenue targets</li><li>Ratio of core to non-core</li></ul>
Political and civil country contexts	Contextual	High		<ul><li>Political instability</li><li>Legal &amp; regulatory constraints</li></ul>
Global economic climate	Contextual	High		<ul><li>Inflation rates</li><li>Gross Domestic Product</li><li>Foreign exchange volatility</li></ul>
Safety and security	Contextual	Low		<ul><li>No of security incidents</li><li>Security compliance rates</li></ul>
Climate change	Contextual	High		Disaster risk profile (based on INFORM Index)
Cybersecurity	Operational	Low		<ul><li>Number of incidents</li><li>Incident response time</li><li>ICT compliance rates</li></ul>

## Thank you

