

THEMATIC AUDIT

UN WOMEN'S ENTERPRISE RISK MANAGEMENT

Internal Audit Report



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Independent Evaluation, Audit and Investigation Services (IEAIS)

Internal Audit Service (IAS)

UN Women

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ACRONYMS AND ABBREVIATIONS

ACO	Advisory Committee on Oversight
ERM	Enterprise Risk Management
HR	Human Resources
IAS	Internal Audit Service
ICT	Information and Communication Technology
IEAIS	Independent Evaluation, Audit and Investigation Services
RAS	Risk Appetite Statement
SPRED	Strategy, Planning, Results, and Effectiveness Division
UN Women	United Nations Entity for Gender Equality and the Empowerment of Women

EXECUTIVE SUMMARY

Audit objective and scope

The UN Women Internal Audit Service (IAS) of the Independent Evaluation, Audit and Investigation Services (IEAIS) conducted an internal audit of UN Women's Enterprise Risk Management from June 2025 to December 2025.

UN Women management is responsible for adequately designing and effectively maintaining governance, risk management and control processes to ensure that UN Women's objectives are achieved. IAS is responsible for independently assessing the adequacy and effectiveness of these systems and processes.

The audit assessed the adequacy and effectiveness of UN Women's risk management, focusing on its governance arrangements, risk management practices and control processes. Where relevant, the audit provided benchmarking¹ relating to the following risk management areas/dimensions of the Reference Maturity Model for Risk Management in the UN system as endorsed by the High-Level Committee on Management in April 2019:

- **Enterprise Risk Management (ERM) Framework and Policy:** a collection of policies, procedures and other documents that together describe how the organization undertakes risk management.
- **Governance and organizational structure:** the internal risk governance structure, delegated authority, roles and responsibilities, and organizational entities to assure the effective management of risk.
- **Process and integration:** the process to ensure that risks and opportunities that may affect the delivery of organizational results are effectively identified, assessed, responded to, communicated and monitored.
- **Systems and tools:** IT components used to record, analyse, integrate and communicate/report on risk information.
- **Risk capabilities:** the skills, ability, knowledge and capacity that an organization should possess to effectively manage risks to deliver its results.
- **Risk culture:** shared values, beliefs and behaviours of staff and senior management, together with the organization's demonstrated attitude to risk.

The audit also included a maturity assessment based on the Reference Maturity Model for Risk Management in the UN system, considering UN Women's mandate. The maturity model comprises five maturity levels (initial, developing, established, advanced and leading).

The audit work consisted of document and system reviews (policies, procedures, risk registers, meeting minutes, risk reports), interviews (risk owners, focal points, senior management), surveys and discussions with personnel in Country and Regional Offices, headquarters and with other relevant stakeholders. The audit covered the state of governance, risk management and internal controls from January 2024 to November 2025.

The audit was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing* of The Institute of Internal Auditors.

Audit opinion and overall audit rating

UN Women introduced its Risk Management Policy in late November 2014. The Policy has since undergone several revisions, with the most recent update promulgated in September 2025. The purpose of risk management at UN Women is to establish a consistent approach to managing risks; support informed decision-making and resource allocation; and guide the organization's risk and reward strategy.

¹ UN Women's Risk Management Frameworks were evaluated against recognized standards and models, including the Committee of Sponsoring Organizations of the Treadway Commission's ERM Framework (2004; 2017), the High-Level Committee on Management Reference Maturity Model for Risk Management (2019), ISO 31000:2018 Risk Management Guidelines and Joint Inspection Unit Benchmarks for ERM (2010; 2020) to assess ERM processes and maturity levels.

With limited resources, the Risk Management function has managed to achieve significant progress in developing the organization's risk management processes over the last 10 years with notable advancements since its 2019 risk maturity advisory assessment. For example, the following achievements and good practices were identified:

- Revisions and updates of the UN Women Risk Management Policy, Procedure and guidance in 2021, 2023 and 2025.
- Clear determination and definition of the risk universe and risk units/entities, including clarification of risk ownership.
- Completion of a comprehensive review of risk registers by risk units/entities, with constructive feedback provided, primarily from the Risk Management function.
- Design, development and roll-out of a management information system, which is in the process of being upgraded, to support the risk management approach and methodology, ensuring consistency and standardization.
- Formulation of a corporate risk register, aggregating risk data across the organization.
- Strengthening risk management capacity through targeted training and awareness initiatives.

IAS assessed the overall state of UN Women's corporate risk management as **Some Improvement Needed**.² A solid ERM Framework has been established across the organization; however, understanding of the framework and its application varies considerably across countries and regions. The maturity assessment highlights that processes, policies and procedures are relatively well developed, but significant gaps appear in full understanding, implementation and day-to-day execution – especially in governance and oversight, definition and understanding of risk appetite, operationalization into activities, decision making and escalation, workforce capability and risk culture. As a result, risk management tends to be more reactive than proactive.

IAS made eight medium priority recommendations to address the areas for improvement. These recommendations are focused on:

- Revising the Risk Appetite Statement Document for the updated risk policy, new Strategic Plan and external context; and then providing training and guidance on the risk appetite and how to use it;
- Providing accessible, practical training modules for staff;
- Review the Terms of References for Risk Management Committees to determine the most efficient and effective mode of implementation, and interaction and escalation of risks;
- Adequately resourcing the Risk Management function;
- Enhancing risk reporting practices to enable review, challenge and monitoring of the risks and mitigating actions; and
- Strengthening accountability and ownership across the organization.

The eight medium (Important) priority recommendations mean that *“action is required to ensure that UN Women is not exposed to risks. Failure to take action could result in negative consequences for UN Women”*.

² The assessed governance arrangements, risk management practices and controls were generally established and functioning but need some improvement. Issues identified by the audit do not significantly affect the achievement of the objectives of the audited entity/area.

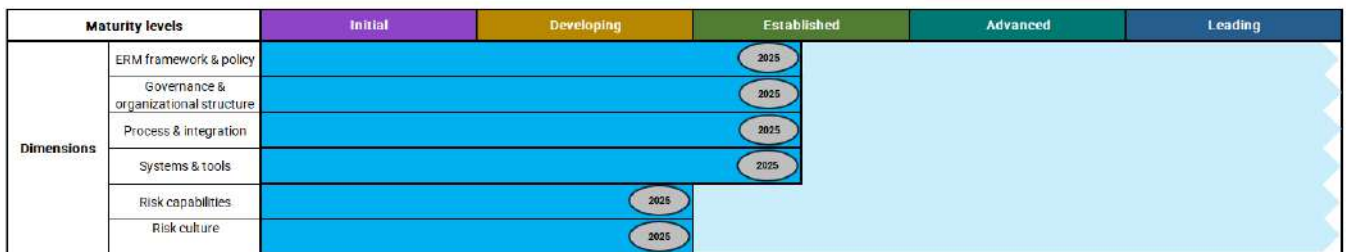
Risk Maturity Assessment

The audit applied the Reference Maturity Model for Risk Management in the UN System to assess UN Women’s current maturity level across key dimensions.

The accompanying diagram illustrates IAS’ current assessment of UN Women’s maturity level across key dimensions. This shows significant advancement from the 2019 maturity assessment but identifies some areas for further improvement.

We understand that UN Women’s desired maturity may be at the current range of ‘Developing to mid-Established’ given UN Women’s business model, mandate and operating environment. Progressing to the “Advanced” maturity level would likely require significant investment in both financial and human resources and, given the current financial climate, may not be priority for the organization.

Maturity Assessment diagram (with IAS’ current assessment)



Management comments and action plan

UN Women Management accepted the above recommendations and provided action plans which are included in this report. Implementation of some of the recommendations has already begun. Management comments and additional information provided have been taken into account in this report, where appropriate.

Low priority issues are highlighted throughout the report and addressed with advisory notes for management consideration. Management actions for these points are not captured or tracked by IAS.

**Lisa Sutton, Director
 Independent Evaluation, Audit and
 Investigation Services**

I. BACKGROUND

Risk management is regarded as a critical function in the United Nations system and has recently been a focus of two major reviews. In 2019, the High-Level Committee for Management issued a Reference Maturity Model³ for Risk Management. The purpose of the model was to develop a United Nations-specific risk maturity model that agencies could benchmark themselves against. The Joint Inspection Unit issued its own benchmarks in its 2020 report Enterprise Risk Management: approaches and uses in United Nations system organizations. For the purposes of this audit, IAS used the methodology promulgated in the Reference Maturity Model for Risk Management in the UN System as a benchmark. The Reference Maturity Model has six dimensions, outlined below, and five maturity levels (initial, developing, established, advanced and leading).

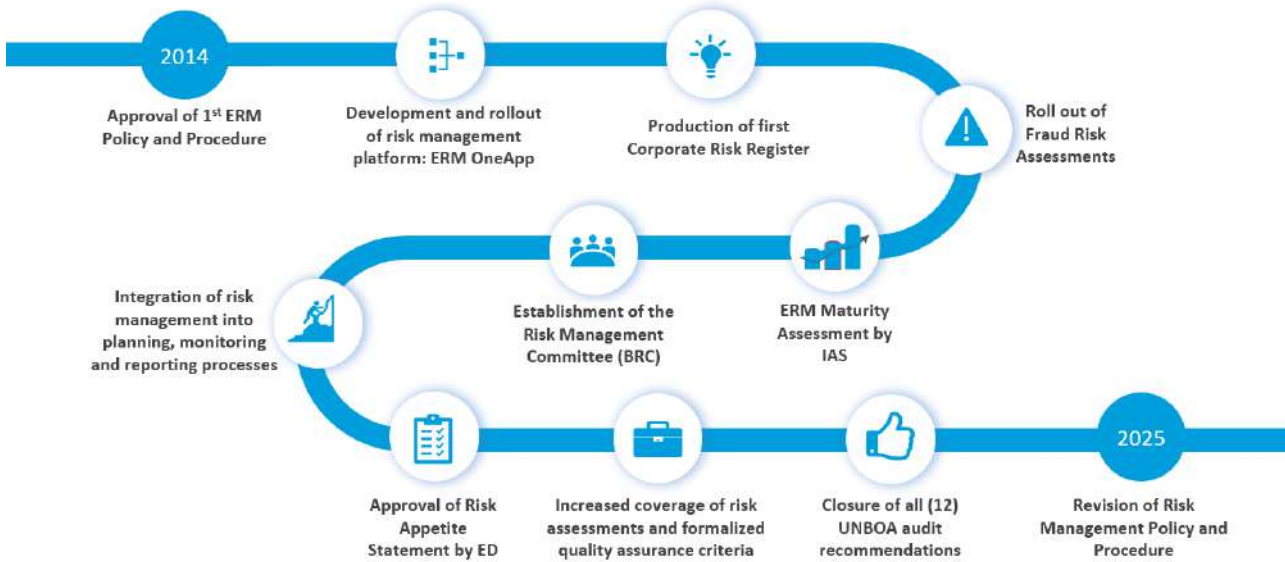
- **Enterprise Risk Management (ERM) Framework and Policy:** a collection of policies, procedures and other documents that together describe how the organization undertakes its risk management.
- **Governance and organizational structure:** the internal risk governance structure, delegated authority, roles and responsibilities, and organizational entities to assure the effective management of risk.
- **Process and integration:** the process ensures that risks and opportunities that may affect the delivery of organizational results are effectively identified, assessed, responded to, communicated and monitored as per the ERM Framework. Integration ensures that interaction/interlinkages with related risk sub- processes or other organizational processes are clearly established.
- **Systems and tools:** IT components used to record, analyse, integrate and communicate/report on risk information.
- **Risk capabilities:** the skills, ability, knowledge and capacity that an organization must effectively possess to manage risks to deliver its results.
- **Risk culture:** shared values, beliefs and behaviours of staff and senior management, together with the organization's demonstrated attitude to risk.

Refer to Annex 2 for further details.

UN Women introduced its Risk Management Policy in late November 2014. The Policy has since undergone several revisions, with the most recent update was promulgated in September 2025. The purpose of risk management at UN Women is to establish a consistent approach to managing risks; support informed decision-making and resource allocation; and guide the organization's risk and reward strategy. Figure 1 illustrates the progression of risk management initiatives within UN Women from 2014 through 2025. With limited resources, the Risk Management function has managed to achieve significant progress in developing the organization's risk management processes over the last 10 years.

³ Endorsed by the High-Level Committee on Management at its 37th session in April 2019.

Figure 1: Evolution of risk management in UN Women



Source: Informal Briefing on Risk Management to the Advisory Committee on Oversight, April 2024, adapted by IAS

Effective risk management is a key element of good governance, providing reasonable, but not absolute, assurance that significant risks are identified and monitored, enabling timely action and ensuring that opportunities are maximized with confidence that the related risks will be managed.





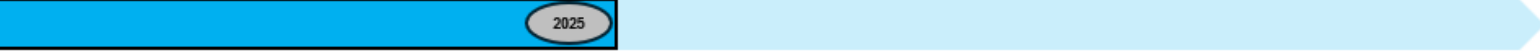
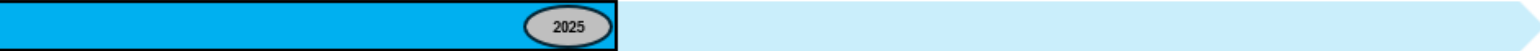
Within UN Women, risk management is the responsibility of all personnel in the organization. To support personnel in their role, the Risk Management function provides quality assurance, ongoing technical support and capacity-building, including through periodic online webinars.

Responsibility for supporting the integration of ERM within UN Women and monitoring its implementation has been assigned to the Risk Management function within the Strategy, Planning, Results and Effectiveness Division (SPRED), which regularly reports to the Risk Management Committee. The Risk Management function is overseen by the Chief Risk Officer, who is also the Director of SPRED. The Risk Management function includes: an Enterprise Risk Manager (P4) (the position became vacant in September 2025 and is currently under recruitment); a Technical Specialist in governance, risk and compliance (P3); and a part-time consultant providing technical support. The Executive Director and Risk Management Committee have formal responsibilities for oversight of Risk Management.

UN Women utilizes several risk assessments and risk registers to identify and monitor risks, including unit/entity-level risk registers. At the time of the audit, a risk module within OneApp was used to capture risks. Risks are classified into four primary categories: contextual, strategic, operational and fiduciary/safeguarding, with 23 risks defined across these four categories. UN Women's corporate risk register is an aggregation of unit/entity Strategic Note Risk Assessments. To supplement these bottom-up risk assessments, a top-down assessment is undertaken on a regular basis by the Risk Management Committee to determine the principal/most critical risks shaping organizational performance and to promote regular dialogue that supports risk-informed decision-making. In May 2025, the five top corporate risks included: 1) information security and technological support; 2) funding and resource mobilization; 3) third-party risk management; 4) country risk – political and civil; and 5) HR retention, succession and recruitment.⁴

⁴ Corporate Risk Register versions. 5 May 2025, pre-Risk Deep Dive revisions

II. Maturity Assessment

Maturity levels		Initial	Developing	Established	Advanced	Leading
Dimensions	ERM framework & policy	 <p>The ERM Framework is generally aligned with good practice; revised policies and procedures have been rolled out in late 2025 but were not yet fully implemented. The Risk Appetite Statement document was rolled out in 2023 as a pilot and has not been updated and aligned with UN Women's SN 2026-2029; and should be regularly reviewed and updated. While the ERM Framework has been developed, revised and rolled out, not all risks referenced in the Strategic Note risk register are covered by policies and procedures.</p>				
	Governance & organizational structure	 <p>The ERM framework defines roles and responsibilities in accordance with the Three Lines Model, which helps ensure clarity and accountability throughout all levels of risk management. However, there are varying degrees of understanding regarding the accountability of risk owners. Governance structures have been established, some have not been fully implemented or integrated. A dedicated risk management function exists within the organization, but it is not fully resourced, which may impact its effectiveness.</p>				
	Process & integration	 <p>The organization has established a systematic risk management process with a clear methodology, which is continuously improved through quality assessments. Risk management is integrated with results-based planning by conducting risk assessments during the planning phase. However, there is still room to further refine risk registers, and links between risks and internal controls remain basic and informal. Furthermore, integration of risks management into day to day decision making varied across country offices..</p>				
	Systems & tools	 <p>The organization utilizes a risk assessment tool, including a consolidated risk register, and has implemented a basic ERM system with monitoring and reporting capabilities. A new system is currently being deployed offering improvements. However, integration with other key systems or micro assessments remains manual.</p>				
	Risk capabilities	 <p>Some managers recognize the value of risk-related competencies and actively encourage their teams to develop relevant skills, knowledge, and abilities; however, this approach is not consistent across the organization. The ERM function has provide targeted training and awareness building. However, the resourcing of the ERM team remains a concern. The risk management skills and capabilities of personnel vary across Country Offices. Risk reporting should be strengthened to enable on-going oversight of risks to the organization and monitoring of mitigating actions to further manage risks.</p>				
	Risk culture	 <p>Expectations for risk management are clear, but Senoir Management demonstration of risk management is not consistent. Risk information is collected and shared in a structured way with relevant stakeholders, but there is limited follow-up on actions. Lessons from risk management successes and failures are captured only on an ad-hoc basis, with no regular or systematic analysis. Consideration of risk factors in business decisions is inconsistent. Reports to oversight bodies often lack sufficient detail on how risks are managed. Accountability for risk management is reflected in only a limited number of job descriptions, indicating that responsibilities are not fully embedded across the organization.</p>				

Prepared by IAS using the Reference Maturity Model for Risk Management in the UN System

III. AUDIT RESULTS

A. Policies, Procedures, Guidance and training

Good practices:

The Risk Management Policy and Procedure was revised and updated in November 2025. Policies and procedure were generally aligned with international standards and good practices. The majority of respondents to IAS' risk management survey understood UN Women's policy and procedures.

The ERM function provides targeted annual training and awareness-building on risk management, primarily for risk focal points and project managers. According to IAS' risk management survey, more than 80 per cent of respondents had participated in training or workshops conducted by the ERM function.

KEY OBSERVATIONS AND CONCLUSIONS

Observation 1: Policies, Procedures and Guidance

UN Women has developed and implemented a Risk Management Policy and Procedure that provides a systematic and organization-wide approach to managing risk. The Risk Management function revised the policy and procedures in 2025, and they were generally aligned with international standards and recognized good practices. However, as the revised policy and procedure were in the process of being rolled out during the audit period, IAS was unable to assess whether the changes had been fully implemented in practice.

Although no significant gaps were identified, areas for improvement are noted.

Risk Appetite Statement: UN Women defines risk appetite as the amount and type of risk it is willing to retain in pursuit of its strategic objectives. This is important for identifying when a risk is outside of UN Women's tolerance levels and therefore when further action may be required.

UN Women's Risk Appetite Statement (RAS) document was initially approved and rolled out in 2023 as a pilot, with the intention that it be revised after 12 months to address details and content, as well as implementation across UN Women. However, the RAS has not been revised or reviewed since 2023. Management advised that the Risk Management function had originally intended to update the RAS in 2025, but this was rescheduled to 2026 due to resource constraints.

Update of the RAS is important as it was developed during UN Women's Strategic Plan 2022–2025, under the previous Risk Management Policy, and in a very

different external context. Therefore, it would be beneficial to review the RAS and ensure it aligns with the new Strategic Plan, Risk Management Policy and with consideration of current external context, funding constraints and UN reforms.

While the Risk Management Policy outlines the relationship between risk appetite and tolerance levels, stakeholders noted a lack of sufficient understanding of risk appetite and tolerance levels when completing risk assessments. The ERM function acknowledged the above and agreed there is a need to enhance understanding of risk appetite and tolerance. Stakeholders also highlighted that sharing good practices across regions on risk management would be helpful.

Escalation: While the escalation process has been strengthened in the revised Risk Management Policy, stakeholder feedback revealed that escalation procedures require enhanced awareness, with clear guidance on when, why and to whom risks should be escalated. From its other audits in 2025, IAS noted that some risks in field presences were not escalated in a timely manner to enable effective mitigation or management.

Linked to the escalation process as outlined in the policy, when risks in Strategic Note Risk Registers are rated "significant", the risk owner in a Country Office is required to notify the Regional Office. IAS noted that the policy does not include details on how the notification should be provided, whether documented or verbally. If not sufficiently documented, significant risks from Country Offices may be difficult to track and monitor and manage accountability. It may also be useful to include the ERM function in the notification process.

By being kept informed, the Risk Management function can then track significant risks and inform the Chief Risk Officer and governance committees of any trends across UN Women Country Offices.

Risk Management Procedure and risk indicators: In evaluating the likelihood and impact of risks, the Risk Management Procedure notes that units should use risk information from different sources to support the evaluation. The procedure includes sources of risk information and risk indicators for each risk label. However, some of these indicators are not sufficiently detailed to support implementation. For example, the Operational Support Risk Label only includes procurement and business continuity considerations and does not mention indicators covering financial management and reporting, knowledge management or other institutional support.

Advisory Note: *SPRED to review reporting requirements, escalation processes and sources of information for risk indicators to ensure that all information provided is accurate and complete.*

Coverage: Not all risk labels referenced in the Strategic Note Risk Assessments Register are covered by existing policies, procedures or guidance, which makes it difficult to understand objectives and expectations for the area. For example, there is currently no policy and procedure for third-party risk management, which was considered the third-highest corporate risk in 2025. This issue has already been raised by IAS in previous reports and will be tracked through follow-up recommendations with responsible management.

Gaps in the Risk Management Framework and understanding of it may lead to inaccurate or incomplete risk information and increased exposure to organizational risks (or failure to seize opportunities). This supports effective operationalization of the Risk Management Policy.

Recommendation 1 (Medium):

The Director of SPRED to coordinate with Senior Management to:

- a. Revise the Risk Appetite Statement, including aligning it to the revised Risk Management Policy and Procedure, UN Women Strategic Plan 2026–2029, the current context and good practices.
- b. Provide training and further guidance on the Risk Appetite Statement, including specific steps to follow when encountering risks for which the organization has a low appetite or when risks exceed UN Women’s Risk Appetite Statement, and how to identify and escalate such risks, and how these should be captured and tracked.

Observation 2: Training

The level of risk management capacities and capabilities of key personnel with risk management responsibilities varied across Country Offices.⁵ Attitudes towards the ERM process varied depending on individual perspectives, roles and levels of understanding, with some personnel identifying the importance and usefulness of risk management and others seeing the processes as partly a compliance and “tick-box exercise”. This was especially evident among Country Representatives and Operations Managers.

While the audit team was pleased to note that the ERM function has held various training activities during the audit period (e.g. on the most recent policy/procedure roll-out), based on the IAS survey, more risk-related training is still required. Around 30 percent of the respondents to the IAS survey noted the risk training provided was not fully sufficient and 67 per cent indicated interest in additional training. The following topics were highlighted in the survey and from interviews requiring further guidance or training

- Practical risk management application – more hands-on guidance on identifying specific risks and designing mitigation measures, and implementing in day-to-day activities, including relevance of the risks for HQ when they appear more Country Office specific.

⁵ Feedback from interviews with various stakeholders and Country Office audits in 2025.

- Risk analysis and assessment – training on risk analysis concepts such as likelihood, impact, mitigation measures, risk appetite, risk register updates and validation. Respondents also highlighted the need for a deeper understanding of risk analysis processes and how to manage resource requirements for mitigating measures.
- Integration with programme and project development – linking risk management to programme and project development and implementation, including analysis of financial implications and strategies for managing risks with political dimensions.
- Language and accessibility – requests for training materials and documentation in additional languages, specifically French and Spanish.
- Use of tools and templates – training on the use of standardized risk register templates and integrating risk management processes into enterprise systems (such as Quantum).
- Roles and responsibilities – clarification of the roles and responsibilities of risk owners, managers and focal points. Respondents suggested dedicated sessions to define these roles and outline expectations for proactive engagement.

These findings underscore the need for accessible training modules tailored to the practical needs of staff involved in risk management across functions and locations.

The ERM function agreed with the issues raised and will assess the most cost-effective and pragmatic options for training programmes. To support training and capacity-building, Regional Offices would need to have ownership at the Regional Office level.

Recommendation 2 (Medium):

SPRED to collaborate with the Human Resources Division to identify and implement useful training opportunities, prioritizing capacity-building initiatives, with a particular focus on strengthening Risk Owners' and Risk Focal Points skills and capabilities. These opportunities should then be communicated at the corporate level.

B. Governance, organizational structure and reporting

Good practices:

UN Women has established internal risk governance structures, including the Risk Management Committee, which convenes twice a year. The organization's Risk Management Policy and Procedure clearly outline the roles and responsibilities associated with risk management.

UN Women has a Chief Risk Officer and a Risk Management function. The Chief Risk Officer, as Director of the Strategy, Planning, Results and Effectiveness Division (SPRED), is well positioned to effectively promote risk management within UN Women.

KEY OBSERVATIONS AND CONCLUSIONS

Observation 3: Governance

The Three Lines Model, as endorsed by the Institute of Internal Auditors, establishes distinct risk management roles within an organization. Senior Management and personnel are responsible for the first line; management review functions comprise the second line and independent oversight forms the third line. The model also defines roles for governing bodies and external audit functions. Typically, these roles are articulated within an organization's risk management policy and procedure.

At UN Women, the Risk Management Policy and Procedure specifically delineate roles and responsibilities in alignment with the Three Lines Model, ensuring clarity and accountability across all levels of risk management. However, IAS observed improvement opportunities in the second line.

Regional Risk Management Committees: To strengthen the second line, UN Women has established Regional Risk Management Committees to oversee risk in each region. These committees have deeper insights into Country Office programmes and operations, enabling more effective assessment of risk registers and timely escalation of critical and significant issues. IAS acknowledges that these committees reinforce the second line and enhance accountability within the first line.

While the intention of the Regional Risk Management Committees is clear and valuable, based on stakeholder feedback from the regions, there is a question as to whether additional committees are the most effective approach when other meetings already exist which could formally incorporate such activities. Stakeholders broadly supported the committees and can see their value but expressed concerns about whether sufficient efforts and resources would be

allocated to make the initiative effective, given existing workloads and competing priorities.

The ERM function noted it was aware of some Regional Office personnel's concerns about the additional workload associated with the Regional Risk Management Committees. The ERM function is preparing an initial communication pack and guidance for Regional Offices on operationalization of the committees.

Terms of References – Risk Management Committees:

The Risk Management Committee's Terms of Reference were last updated in January 2021 and were not revised in 2025 to reflect changes to the Risk Management Policy and Procedure. For example, the Terms of Reference should also include reference to the Regional Risk Management Committees, which were developed and rolled out in 2025, and clarify the link between the Risk Management Committee and Regional committees and how they interact.

The Terms of Reference for the Regional Risk Management Committee notes it is an advisory committee that assists the Regional Director in fulfilling his/her oversight responsibility, as outlined in the Risk Policy; but does not have any reference to interaction with the Risk Management Committee and if/how risks are escalated to the Risk Management Committee.

Project Risks: Through Country Office audits, the audit team noted that there is a need for enhanced governance processes within UN Women to identify and closely monitor high-risk projects and emerging areas of risk, and to support effective risk management and organizational learning.

As project risks are part of micro assessments, they therefore fall under the responsibility of the Programme Support Management Unit and the Project Oversight Committee when required. The ERM function agreed that there could be some integration between the Risk Management Committee and Project Oversight Committees; and furthermore, that project-level risk management and oversight need to remain with the business process owner and cannot be transferred to the ERM function or the Risk Management Committee. The ERM function highlighted that it may be beneficial for Project Oversight Committees to provide periodic briefings and/or updates to the Risk Management Committee on macro issues/cross-cutting risks, as needed.

Recommendation 3 (Medium):

The Director of SPRED to coordinate with Senior Management to review the Terms of Reference for the Risk Management Committee and the Regional Risk Management Committees to determine the most efficient and effective mode of implementation of the Regional Risk Committees; and interaction and escalation of risks between them and other committees. For implementation of the Regional Risk Committee, review if the activities can be integrated into existing platforms such as the Quarterly Business Review.

Risk Management function: The Risk Management function is not resourced by a full-time team. While members of the Risk Management team possess the necessary skills, knowledge and experience, they each have additional responsibilities as well as supporting ERM; therefore, they are only able to support ERM on a part-time basis. The Enterprise Risk Manager role is also currently vacant, although management noted recruitment is under way.

A well-resourced and empowered ERM function is essential for advancing ERM maturity as it plays a critical role in setting the tone at the top and providing direction and support to both the first and second lines. This is particularly important where risk management maturity is less mature. Therefore, current resourcing for the ERM function may be insufficient to fully support these responsibilities.

Recommendation 4 (Medium):

SPRED to reassess and ensure that the ERM function is adequately resourced to fully carry out its responsibilities and to sustain and advance ERM maturity within UN Women. If financial constraints prevent adequate resourcing, this should be flagged to and accepted by Executive Management.

Reporting and Transparency: The Risk Management Policy outlines some reporting and oversight responsibilities, including roles for the Risk Management Committee, the Advisory Committee on Oversight and the Executive Director. However, the guidance remains broad and lacks requirements on the level of detail required and frequency of reporting. The last comprehensive risk management report that included information on the risks, consequences, root causes and mitigating controls was published in 2022/23. Overall reporting and transparency could be improved by providing more detailed and balanced information.

Risk reporting often only includes information on UN Women processes and risk ratings; and therefore, may not include enough information for the governance committees to fulfil their roles, and review and challenge the risks and mitigation actions; and monitor actions for follow-up. Several stakeholders noted that it remains difficult to assess whether UN Women is effectively managing risks and how these risks have changed over time. For example, there could be more transparency on how key risks have evolved within UN Women, including why key risks in previous years are no longer considered "high" risks.

Several deep-dive sessions on risk were held for the Risk Management Committee in 2025 to review risks and their mitigation actions (with nine of the top 14 corporate risks reviewed in 2025). The plan was to review all 14 top corporate risks (out of the 23 total risks), however all were not covered. While the sessions were a good first step at regularizing risk management and senior management levels and there were good discussions in the meetings, there was, as yet, little indication of action or follow-up arising from the sessions.

The Risk Management function acknowledged that reporting on risk management could be further improved; however, it noted that enhancements depend on the availability of resources to prepare such reports and require active engagement from lead risk owners and timely discussions within the Risk Management Committee.

While this report was being finalized, IAS was pleased to note that, in January 2026, UN Women presented its annual enterprise risk management update to the Executive Board, in line with the Board's decision requirements. The update was made publicly available on the Executive Board website and outlines recent progress, ongoing strengthening measures, and principal risks with mitigating measures.

Tone at the top: The audit team observed that Senior Management has shown increased support for risk management in recent years, initiating several actions that reflect a positive shift in tone. Supportive actions include requesting that the Risk Management Committee conduct deep dives into the top corporate risks and seek briefing sessions with the Risk Management function. However, formal communication and information that demonstrate Senior Management's commitment to risk management and reporting could be more frequent and clearer. Measures to support and enforce accountability for risk management would benefit from improvement.

For example, as a part of the Quarterly Business Review process, there was reporting on a few risk indicators that had supposedly exceeded risk tolerance. However, there was no determination of action or follow-up on actions to address these instances of apparent exceeded risk tolerance.

Lessons learned: The audit team observed that, during training sessions, the ERM function emphasized to participants the value of leveraging past internal and external audit findings; known instances of wrongdoing; and other assessments, such as Project Risk Registers, to inform Country Office risk assessments. During Quality Assurance reviews, the Risk Management function provides feedback to Country Offices, Regional Offices and headquarters divisions.

While these sources are helpful for conducting robust risk assessments, they are ad hoc. There was no organization wide systematic mechanism for analyzing successes, near-misses issues and failures, and tracking and reporting lessons learned to relevant

governance bodies and communicating them across the organization to enhance transparency and proactive risk management.

Before finalizing this report, the audit team was pleased to note that the ERM function had proactively shared lessons learned from the 2026–2029 Strategic Note Risk Reviews with risk focal points across the organization.

Recommendation 5 (Medium):

SPRED to support Senior Management across HQ and the Regional Offices to formally and clearly communicate their active involvement and commitment to risk management across the organization.

Recommendation 6 (Medium):

SPRED to improve risk management reporting by providing more regular reporting and more comprehensive details on how risks are managed, ensuring the information is tailored to the intended audience's needs, enables challenge of the risks and mitigating actions; and enables effective monitoring of implementation of actions identified.

C. Process and integration

Good practices:

The ERM function has embedded risk management activities into key organizational processes, ensuring they are aligned with planning, monitoring and reporting, particularly during development of Country Office Strategic Notes.

Units/Country Offices are required to conduct risk assessments, monitor unit-level risk profiles and update mitigating actions accordingly.

Standardized risk registers have been introduced, categorizing risks into four main types (contextual, strategic, operational and fiduciary/safeguarding), with 23 risks identified across these categories.

To further support consistency and quality, the Risk Management function developed Quality Assessment checklists, covering both compliance and substantive aspects, which are used by both the ERM function and Regional Offices to ensure risk registers are completed consistently and constructive feedback is provided.

KEY OBSERVATIONS AND CONCLUSIONS

Observation 4: Process and integration

Although risk management has been integrated into strategic planning processes, implementation and maturity across Country Offices varied and the degree of risk management embedded in day-to-day operations was inconsistent. This ongoing challenge has also been highlighted in findings in recent audit reports.

Some stakeholders interviewed noted that, at times, risk assessments were considered more “box-ticking” or compliance exercises rather than a management process. At times, risk owners did not factor risk management into daily decision-making.

While risk registers have been standardized and consistently applied across UN Women, the audit team noted some areas for improvement:

- **Risk labels and descriptions** may be too high level. The scope of risks could also be better defined, particularly for areas such as operational support, which encompasses many topics. Reviewing other UN agency approaches, some had risk labels with sub-areas, such as Procurement, Asset Management and Facilities Management under Operational Support. However, in UN Women, these sub-areas are not specified. This lack of detail can make the risk assessment process more challenging, as risk owners and focal points may be unclear about

what each risk label covers.

- **Linking risk registers to the relevant micro assessments:**⁶ The Risk Management Policy highlights that micro-assessments should be considered in the Country Office risk assessment. However, as they are not done in systems and/or connected to the risk register they were sometimes not sufficiently factored into the risk assessment process.
- **Internal controls:** UN good practice recommends that risks should be measured and scored based on impact, likelihood and the effectiveness of internal controls. Depending on that measurement, additional mitigating actions with defined timelines and owners may be required to effectively manage the risk for the organization. However, UN Women Country Offices found it challenging to define mitigating controls because they had not sufficiently factored in internal controls and sometimes identified ongoing internal controls as mitigating actions. The Risk Management function agreed that additional guidance is needed to help offices differentiate between existing controls and further mitigating actions. However, the Risk Management function emphasized that this should not extend to formally mapping every control to the risk register.

⁶ Micro Assessments include Fraud Risk Assessments, Business Process Risk Assessments, Project-level Risk Assessments, Programme Partner Risk Assessments, Risk-based Capacity Assessments of Programme Partners, Social and Environmental

Assessments, Private-Sector Engagement Risk Assessments, and Safety and Security Risk Assessments:

The ERM function acknowledged concerns regarding the risk register and committed to reviewing the current risk taxonomy. The team noted that, depending on the extent of the changes required, additional resources may be necessary to update terminology, definitions and mappings within the PRISM system. Change management support may also be needed to introduce the new taxonomy and ensure alignment with existing risk registers.

Recommendation 7 (Medium):

SPRED to review and refine the corporate and Strategic Note risk registers, along with any related guidance, to (a) ensure stronger integration and linkage between risk management and internal control; and (b) better align the risk registers with recognized good practices.

D. Implementation and Accountability

Good practices:

The Deputy Executive Directors have launched several initiatives reflecting progress in this area. Notably, these efforts include conducting risk deep-dive sessions covering nine of the fourteen⁷ 2024 corporate risks as of May 2025.

KEY OBSERVATIONS AND CONCLUSIONS

Observation 5: Accountability and ownership

Risk-informed decision-making

Interviews with various stakeholders revealed that risk management was sometimes viewed as a stand-alone exercise, primarily focused on enforcing compliance with existing ERM Policy, Procedure and Guidance requirements, instead of being fully incorporated into daily decision-making processes. Attitudes towards the ERM process varied depending on individual perspectives, roles and levels of understanding. It was especially evident among Country Representatives and Operations Managers.

During its Country Office audits, IAS has noted that some offices were not adequately considering risks when making decisions. Risk management-related findings from these Country Office audits point towards varying risk culture maturity in the field.

Application of accountabilities and ownership

The audit team reviewed the Risk Management Policy, Procedure and Guidelines (September 2025) and was pleased to note that risk-related roles across the first, second and third lines are clearly defined.

However, the audit team identified areas for improvement regarding accountability and ownership. As mentioned above, risk management is sometimes perceived as a stand-alone compliance exercise, suggesting opportunities to enhance accountability and ownership. Job descriptions for Country Representatives (field risk owners) and Operations Managers (risk focal points) did not always reference their risk management responsibilities.

While some training is provided on risk management, there is no required or mandatory orientation or training for personnel with key risk management responsibilities.

Unclear responsibilities and/or capabilities may lead to insufficient accountability; inadequate risk-informed decision-making; not seizing opportunities and increased vulnerability to strategic and operational risks. This could ultimately compromise the delivery of results and achievement of organizational objectives and undermine stakeholder confidence.

Recommendation 8 (Medium):

To strengthen risk management culture and accountability, SPRED to collaborate with the Human Resources Division to:

- a. Ensure that the job descriptions of key staff with risk management responsibilities explicitly reference risk management, with key staff defined according to criteria established by SPRED.
- b. Develop goals for key staff with risk management responsibilities.

⁷ Based on the information provided by the Risk Management function in November 2025, deep dives were not performed for: Economic Climate, Safety and Security, Climate Change, Operational Support, and Reputational and Stakeholder Management

III. RECOMMENDATIONS AND MANAGEMENT ACTION PLAN

Observation	Recommendation	Responsible Unit	Priority	Action Plan	Implementation date
1: Policies, Procedures and Guidance	<p>Recommendation 1</p> <p>The Director of SPRED to coordinate with Senior Management to:</p> <ul style="list-style-type: none"> a. Revise the Risk Appetite Statement, including aligning it to the revised Risk Management Policy and Procedure, UN Women Strategic Plan 2026–2029, the current context and good practices. b. Provide training and further guidance on the Risk Appetite Statement, including specific steps to follow when encountering risks for which the organization has a low appetite or when risks exceed UN Women’s Risk Appetite Statement, and how to identify and escalate such risks, and how these should be captured and tracked. 	SPRED	Medium	SPRED/ERM agrees with the recommendation and is committed to revising and rolling out the Risk Appetite Statement in 2026.	By 31 December 2026
2: Training	<p>Recommendation 2</p> <p>SPRED to collaborate with the Human Resources Division to identify and implement useful training opportunities, prioritizing capacity-building initiatives, with a particular focus on strengthening Risk Owners' and Risk</p>	SPRED	Medium	SPRED/ERM agrees with the recommendation and will assess the most cost effective and pragmatic options for training programs. While internal	By 31 December 2027

Observation	Recommendation	Responsible Unit	Priority	Action Plan	Implementation date
	Focal Points skills and capabilities. These opportunities should then be communicated at the corporate level.			online training opportunities can be delivered within existing capacity, implementation of in-person trainings and/or participation in costed external training opportunities is subject to resource availability.	
3: Governance	<p>Recommendation 3:</p> <p>The Director of SPRED to coordinate with Senior Management, to review the Terms of Reference (ToRs) for Regional Risk Management Committees (RRMC) and determine the most efficient and effective mode of implementation. For example, consider if the work of the committees can be integrated into existing platforms such as the Quarterly Business Review.</p>	SPRED	Medium	The RRMC ToRs have been reviewed and will be disseminated by DEDs/RMC co-Chairs, along with a dedicated resource pack and guidance which SPRED/ERM is preparing for Regional Offices to operationalize the RRMCs.	31 December 2026
	<p>Recommendation 4:</p> <p>SPRED to reassess and ensure that the ERM function is adequately resourced to fully carry out its responsibilities and to sustain and advance ERM maturity within UN Women. If financial constraints prevent adequate resourcing, this should be flagged to and accepted by Executive Management.</p>	SPRED	Medium	SPRED/ERM fully agrees with this recommendation and underscores the inherent risk to maintaining the current staffing/ resourcing levels. In light of the limited resources, the ERM Function at HQ has been double-hatting since	31 December 2027 (for possible inclusion in the next Integrated Budget)

Observation	Recommendation	Responsible Unit	Priority	Action Plan	Implementation date
				inception, with the P4 working 50% on ERM and 50% on Internal Policy Management (IPM), with Fraud Risk Management (FRM) added in 2024, while the P3 works 25% on ERM. In order to sustain momentum, ideally there would be a need for investment at both global and RO level.	
3: Governance (continued)	<p>Recommendation 5:</p> <p>SPRED to support Senior Management across HQ and the Regional Offices to formally and clearly communicate their active involvement and commitment to risk management across the organization.</p>	SPRED	Medium	SPRED/ERM agrees with this recommendation and stands ready to support both senior management and ROs.	By 31 December 2026 (and ongoing)
	<p>Recommendation 6:</p> <p>SPRED to improve risk management reporting by providing more regular reporting and more comprehensive details on how risks are managed, ensuring the information is tailored to the intended audience's needs.</p>	SPRED	Medium	SPRED/ERM agrees with this recommendation, while noting the implementation is entirely based on availability of resources to prepare such reports and is contingent upon engagement from Lead Risk Owners and timely discussions within the RMC.	By 31 December 2026

Observation	Recommendation	Responsible Unit	Priority	Action Plan	Implementation date
4. Process and integration	<p>Recommendation 7:</p> <p>SPRED to review and refine the corporate and Strategic Note risk registers, along with any related guidance, to (a) ensure stronger integration and linkage between risk management and internal controls; and (b) better align the risk registers with recognized good practices.</p>	SPRED	Medium	SPRED/ERM is committed to ongoing review of risk registers and agrees that more guidance is needed to help offices distinguish between existing controls and additional mitigating actions. SPRED/ERM can commit to providing this guidance and dedicated capacity building.	By 31 December 2027
5. Implementation and Accountability	<p>Recommendation 8: To strengthen risk management culture and accountability, SPRED to collaborate with the Human Resources Division to:</p> <p>a. Ensure that the job descriptions of key staff with risk management responsibilities explicitly reference risk management, with key staff defined according to criteria established by SPRED.</p> <p>b. Develop goals for key staff with risk management responsibilities</p>	SPRED	Medium	SPRED/ERM agrees with this recommendation and will collaborate with the Human Resources Division to develop risk-related responsibilities and goals to be included in relevant job descriptions.	By 31 March 2026

Annex 1: DEFINITIONS OF AUDIT TERMS, RATINGS AND PRIORITIES

A. AUDIT RATINGS

Satisfactory	The assessed governance arrangements, risk management practices and controls were adequately established and functioning well. Issues identified by the audit, if any, are unlikely to affect the achievement of the objectives of the audited entity/area.
Some Improvement Needed	The assessed governance arrangements, risk management practices and controls were generally established and functioning but need some improvement. Issues identified by the audit do not significantly affect the achievement of the objectives of the audited entity/area.
Major Improvement Needed	The assessed governance arrangements, risk management practices and controls were established and functioning, but need major improvement. Issues identified by the audit could significantly affect the achievement of the objectives of the audited entity/area.
Unsatisfactory	The assessed governance arrangements, risk management practices and controls were either not adequately established or not functioning well. Issues identified by the audit could seriously compromise the achievement of the objectives of the audited entity/area.

B. PRIORITIES OF AUDIT RECOMMENDATIONS

High (Critical)	Prompt action is required to ensure that UN Women is not exposed to high risks. Failure to take action could result in major negative consequences for UN Women.
Medium (Important)	Action is required to ensure that UN Women is not exposed to risks. Failure to take action could result in negative consequences for UN Women.
Low	Action is desirable and should result in enhanced control or better value for money. Low priority recommendations, if any, are dealt with by the audit team directly with the management of the audited entity/area, either during the exit meeting or through a separate memo subsequent to the fieldwork. Therefore, low priority recommendations are not included in this report.

UN WOMEN EXISTS TO ADVANCE WOMEN'S RIGHTS, GENDER EQUALITY AND THE EMPOWERMENT OF ALL WOMEN AND GIRLS.

As the lead UN entity on gender equality and secretariat of the UN Commission on the Status of Women, we shift laws, institutions, social behaviors and services to close the gender gap and build an equal world for all women and girls. Our partnerships with governments, women's movements and the private sector coupled with our coordination of the broader United Nations translate progress into lasting changes. We make strides forward for women and girls in four areas: leadership, economic empowerment, freedom from violence, and women, peace and security as well as humanitarian action.

UN Women keeps the rights of women and girls at the centre of global progress – always, everywhere. Because gender equality is not just what we do. It is who we are.



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