Audit of the enterprise risk management process in the United Nations Multidimensional Integrated Stabilization Mission in Mali

The Mission needed to strengthen enterprise risk management governance and oversight to ensure effective and systematic management of risks

15 November 2019
Assignment No. AP2019/641/07
Audit of the enterprise risk management process in the United Nations Multidimensional Integrated Stabilization Mission in Mali

EXECUTIVE SUMMARY

The Office of Internal Oversight Services (OIOS) conducted an audit of the enterprise risk management (ERM) process in the United Nations Multidimensional Integrated Stabilization Mission in Mali (MINUSMA). The objective of the audit was to assess the adequacy and effectiveness of the ERM process in MINUSMA. The audit covered the period from 1 January 2017 to 30 June 2019 and covered higher and medium risk areas in the ERM process, which included: ERM governance and organizational structure; implementation of the ERM process; monitoring and reporting of risks; and management of risks and opportunities related to implementation of the new delegation of authority.

The Mission needed to strengthen ERM governance and oversight to ensure effective and systematic management of risks.

OIOS made seven recommendations. To address issues identified in the audit, MINUSMA needed to:

- Prioritize the ERM process and appoint ERM focal points for the military and substantive components;
- Ensure adequate provision of training and awareness-building on ERM;
- Review the terms of reference and resources of the Risk Management and Compliance Unit to ensure that all assigned priority tasks for the implementation of a coordinated and comprehensive ERM process are carried out;
- Establish and implement a holistic and systematic process for identifying and assessing key risks to the achievement of the Mission’s mandate and strategic objectives;
- Develop a Mission-wide risk response and treatment plan with recommended actions;
- Prepare quarterly risk management and compliance reports and ensure that the Risk Management and Compliance Officer apprises the Special Representative of the Secretary-General and the Senior Leadership Team on the status of key risks and their treatments; and
- Enter the delegations of authority for human resources and financial administration into the delegation of authority portal to enable the management of risks and opportunities related to the new delegations of authority.

MINUSMA accepted the recommendations and has initiated action to implement them.
CONTENTS

I. BACKGROUND 1

II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY 2

III. AUDIT RESULTS 2-8
   A. Governance and organizational structure 2-5
   B. Implementation of the enterprise risk management process 5-6
   C. Monitoring and reporting of risks 6-7
   D. Management of risks and opportunities related to the new delegation of authority 7-8

IV. ACKNOWLEDGEMENT 8

ANNEX I Status of audit recommendations

APPENDIX I Management response
Audit of the enterprise risk management process in the United Nations Multidimensional Integrated Stabilization Mission in Mali

I. BACKGROUND


2. The United Nations faces high risks owing to the complexity of its operations and mandates. A comprehensive risk management and internal control system is critical to MINUSMA’s ability to deliver on its mandate, especially due to ongoing management reforms intended to improve effectiveness and strengthen accountability by aligning responsibilities for mandate implementation with the authority to manage resources.

3. ERM is a systematic and holistic approach to risk management that supports an organization’s achievement of strategic objectives by proactively identifying, assessing, evaluating, prioritizing and controlling risks across the organization. Risk management is a core responsibility of management.

4. General Assembly resolution 64/259 of 5 May 2010 requested the Secretary-General to enhance the Organization’s capabilities for risk assessment and mitigation and associated internal controls. In May 2011, the Management Committee approved the Organization’s ERM and Internal Control Policy and Methodology (the ERM framework) which provided a systematic and common approach for assessing, treating, monitoring and communicating strategic and operational risks. Security Council resolution 71/283 of 20 April 2017 required the Secretary-General to ensure comprehensive implementation of ERM in all peacekeeping operations. Also, to support the new management paradigm and enhanced accountability system, the Secretary-General in his report A/72/773 dated 1 March 2018 called for enhanced risk management systems, including implementation of ERM by all departments, offices and missions.

5. The MINUSMA Special Representative of the Secretary-General (SRSG) has overall responsibility for the implementation of the ERM framework in the Mission. The Risk Management and Compliance Unit (RMCU) is responsible for coordinating the ERM process in MINUSMA. This includes also coordinating the implementation and reporting on recommendations of oversight bodies and monitoring the implementation of risk response and treatment plans. RMCU reports to the Director of Mission Support (DMS) and is headed by a Risk Management and Compliance Officer (RMCO) at the P-4 level who is supported by one field service staff at the FS-5 level.

6. In March 2017, the SRSG established a Risk Management Committee (RMC) to validate the identified risks and their assessment, and to prioritize risk mitigation measures. RMC is chaired by the DMS and is composed of 17 members. RMC, together with the RMCO, is also responsible for apprising and advising the SRSG on the Mission-wide risks that could adversely impact the achievement of the MINUSMA mandate and strategic and operational objectives.

7. Comments provided by MINUSMA are incorporated in italics.
II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

8. The objective of the audit was to assess the adequacy and effectiveness of the ERM process in MINUSMA.

9. This audit was included in the 2019 risk-based work plan of OIOS due to the importance of managing risks that threaten the achievement of the MINUSMA mandate and strategic and operational objectives, as well as the Secretary-General’s management reforms, in a systematic and holistic manner.

10. OIOS conducted this audit from April to July 2019. The audit covered the period from 1 January 2017 to 30 June 2019. Based on an activity-level risk assessment, the audit covered higher and medium risk areas in the ERM process, which included: ERM governance and organizational structure; implementation of the ERM process; monitoring and reporting of risks; and management of risks and opportunities related to implementation of the new delegation of authority.

11. The audit methodology included: (a) interviews with key personnel; (b) review of the Mission-wide and operational risk registers and related documents; and (c) analytical review of data.

12. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

III. AUDIT RESULTS

A. Governance and organizational structure

Need for commitment of senior leadership to the ERM process

13. Clearly defined and appropriate ERM governance and oversight mechanisms, including commitment and involvement of senior leadership, are essential in ensuring that Mission-wide risks are effectively managed to achieve the Mission’s mandate and strategic and operational objectives, and that the ERM process is adequately embedded into the Mission’s strategic planning and decision-making processes. Instructions issued by the erstwhile Department of Field Support (DFS)\(^1\) in 2017 called for the establishment of RMC with representation from across the Mission to oversee and monitor risk management activities and, specifically, to validate the identified risks and their assessment and to prioritize mitigation measures.

14. The SRSG had established other governance mechanisms in addition to RMC to manage strategic and operational level risks. They included: (a) the Senior Management Group and Management Leadership Team that were meeting weekly and quarterly respectively; (b) operational level committees, such as the Budget Steering Committee, Project Management Group and teams to oversee construction projects, Local Committee on Contracts, Local Property Survey Board, Contingent-Owned Equipment/Memoranda of Understanding Management Review Board, Trust Fund Project Review Committee, Quick Impact Projects Review Committee; Protection of Civilians Working Groups, Road Safety Committee, Medical Services Committee, Safety Management Team, and Environmental Committee.

\(^1\) Effective 1 January 2019, the Department of Management Strategy, Policy and Compliance (DMPSC) assumed all risk management functions previously carried out by DFS and is responsible for the dissemination of ERM guidance and best practices to enhance the United Nations Secretariat’s risk management culture.
15. However, RMC, although composed of senior managers from all Mission components and chaired by the DMS and in his absence by the Chief of Staff, did not provide adequate leadership and oversight over the ERM process. For example:

- RMC only convened four meetings during the audit period instead of eight as required by its terms of reference to meet quarterly. Furthermore, no minutes of these meetings were available;
- Whilst the Mission had appointed 33 ERM focal points to assist with the implementation of the ERM process, no focal points had been established from the military and substantive sections except for the Protection of Civilians Unit. RMC was responsible for ensuring that focal points existed for all Mission components.
- RMC did not submit risk registers to the SRSG for approval in a timely manner. The first Mission-wide risk register was finalized in November 2016; however, the SRSG approved it only on 28 August 2017. A revised risk register, developed in December 2018, was approved by the SRSG on 18 June 2019.

16. The above occurred because MINUSMA senior leadership had not considered the ERM process as a priority undertaking. Because of the weaknesses in the ERM governance and oversight mechanisms, ERM was not yet meaningfully implemented in MINUSMA, in order to guide strategic planning and decision-making and to ensure that key risks to the achievement of objectives and planned activities are adequately managed.

(1) MINUSMA senior leadership should: (a) prioritize the enterprise risk management (ERM) process and ensure that the Risk Management Committee meets regularly; and (b) appoint ERM focal points for the military and substantive components.

MINUSMA accepted recommendation 1 and stated that RMC would convene more regularly and all MINUSMA divisions would nominate ERM focal points. Recommendation 1 remains open pending receipt of: evidence that meetings of RMC are regularly held; and the updated list of ERM focal points.

Need to ensure adequate provision of training and awareness-building on ERM

17. An effective ERM process requires commitment and awareness of all staff to foster a risk management culture where staff can manage risks in their day-to-day operations. Management should nurture and encourage the establishment of a risk aware culture throughout the Mission and facilitate the provision of training on ERM for staff.

18. From February to May 2018, MINUSMA with the assistance of the DFS Risk Management Section conducted training on ERM to 102 personnel in Bamako, Gao, Mopti and Timbuktu. The trained personnel comprised military, police, substantive and mission support staff representing key mandate areas such as protection of civilians, political affairs, human rights and protection, safety and security, aviation safety, environmental protection, and justice and corrections.

19. However, OIOS review of the Mission-wide and operational risk registers indicated weaknesses in the contributions from ERM focal points in identifying and assessing risks as well as the development of risk responses and treatments. This indicated a need for more formal training, as well as on-the-job training. For example, risk statements were not clear and properly aligned to Mission objectives, and risk responses and treatments included wish lists and suggested solutions rather than specific actionable timebound measures to mitigate the risks.
20. OIOS also noted that:

- Only 8 of the 33 ERM focal points and their alternates from the 18 support functions and the police had attended the ERM training conducted in 2018;
- Twenty per cent (289 of the 1,436) MINUSMA staff had completed the mandatory online training on prevention of fraud and corruption at the United Nations that was available in Inspira and also contained important elements on risk management;
- Two staff members had undertaken the online ERM course available in Inspira; and
- Since 2015, the MINUSMA Contracts Management Unit had conducted risk management training for 107 staff with responsibilities for procurement, contract management, supply chain management and aviation, but the Mission had not integrated this with other available ERM training to achieve efficiencies.

21. The above occurred because the Mission had not developed a programme for continuous training and awareness-building on ERM for managers and staff, especially those with risk management responsibilities, and did not have a mechanism to monitor that ERM focal points attended relevant training on risk management. This increased the likelihood that a risk management culture may not be mainstreamed across the Mission and that ERM focal points may not be performing their roles competently, especially the police and military ERM focal points who are subject to frequent rotation.

(2) MINUSMA should: (a) develop a training programme on enterprise risk management (ERM), including on-the-job training for ERM focal points and awareness-building for other staff members, while taking into account training courses that already exist within the Mission and in Inspira; and (b) encourage and monitor staff completion of online training courses related to ERM, and ensure that focal points meet minimum training requirements.

MINUSMA accepted recommendation 2 and stated that the Mission would organize training to the ERM focal points and raise awareness among staff members. The Mission would also monitor the ERM focal points’ completion of mandatory training courses. Recommendation 2 remains open pending receipt of evidence that a training programme on ERM has been developed and staff with ERM responsibilities have undertaken the online course on ERM.

Need to ensure that the Risk Management and Compliance Unit performs all its priority tasks

22. To ensure a coordinated and effective ERM process that covers both substantive and mission support components, the instructions issued by DFS required the establishment of an adequately staffed and independent risk management function distinct from operational management in accordance with the three lines of defense model. Such a function should be headed by a P-5 or P-4 level officer, reporting directly to the Head of Mission or through a senior manager within the Office of the Chief of Staff.

23. OIOS assessed that RMCU staffing, with a P-4 level staff member as Head of the Unit, and its reporting line to the SRSG through the DMS were in line with the DFS instructions. This ensured that the Unit was sufficiently independent from the first line of defense, i.e., operational management. However,

---

2 According to the model, the first line of defense includes the functions that own and manage risks and are responsible for implementing corrective actions to address process and control deficiencies (i.e., operational managers). The second line of defence comprises central management functions that oversee risk and internal controls and provide support and guidance in those areas. The third line of defence includes the functions that provide independent assurances, such as those conducted by OIOS.
the Unit had not performed 4 of the 16 tasks listed in its terms of reference, including: data collation and analysis on emerging risks; training of ERM focal points; and participation in developing the Mission strategy and budget. This was because DMS had not conducted a review of the work undertaken by RCMU and assessed whether the tasks assigned to the Unit were in line with available resources. There was therefore a need to review and clearly define the roles and responsibilities of RCMU to ensure that ERM is implemented in a coordinated and comprehensive manner.

(3) MINUSMA should review the terms of reference and resources of the Risk Management and Compliance Unit to ensure that all tasks assigned to it that are considered a priority for the implementation of a coordinated and comprehensive enterprise risk management process are carried out.

MINUSMA accepted recommendation 3 and stated that the current terms of reference and resources of RMCU would be reviewed to ensure adequate resources are provided to the Unit for the implementation of the Mission’s ERM programme. Recommendation 3 remains open pending receipt of the new terms of reference of RMCU following review of the Unit’s resources and workload.

B. Implementation of the enterprise risk management process

Need to strengthen the process of identification and assessment of risks

24. The DFS instructions required MINUSMA to include all its mandated activities and strategic objectives in its risk universe for the preparation of the Mission-wide risk register. Further, the Mission was required to consult widely with all stakeholders, such as protection of civilians, peace process and security, and stabilization and recovery, in developing its risk register.

25. The Mission did not develop a Mission-specific risk universe, which therefore was not fully aligned with the MINUSMA mandate and strategic objectives. OIOS identified 25 strategic and operational objectives that were not risk assessed during the preparation of the risk register. OIOS was of the view that, in the current operational context of MINUSMA, a number of them would have warranted a closer analysis and potential inclusion of the associated risks in the risk register. Also, emerging risks and opportunities, such as the new delegation of authority to the Mission under the Secretary-General’s reforms, operations of the G5 Sahel and related human rights due diligence, and the elevated mandate to protect civilians following Security Council resolution 2480 (2019) were not considered in updating the risk register.

26. The review of the Mission-wide risk registers for 2017 and 2018, and interviews with managers and staff in the Mission, indicated the following other weaknesses:

- The relevant stakeholders were not systematically engaged or consulted in the preparation of the risk register, and some of them confirmed to OIOS that they had not seen the document. For example, the Conduct and Discipline Section had a detailed risk register with timebound action logs supported by statistics available on its web site; however, these risks were not considered for inclusion in the Mission-wide risk register.

- The Mission lowered the rating of seven risks from very high/high to high/medium in the 2018 risk register, without an adequate justification. In the case of three of them, the change was questionable given the existing political and operational context and the status of risk responses.

- The Mission did not take into account the work of the oversight bodies, such as OIOS, United Nations Board of Auditors and the Board of Inquiry, in the development of the risk register. A
number of the issues raised in their reports, and the status of related recommendations, could have warranted a further analysis at the risk identification stage.

27. The above occurred because MINUSMA had not implemented a holistic and systematic approach to identifying and assessing all key risks that threatened the achievement of its mandate and objectives. There was also inadequate coordination in ensuring participation of relevant managers and staff in the risk assessment process and timely sharing of the risk register with all Mission components.

(4) MINUSMA should establish and implement a holistic and systematic process for identifying and assessing the key risks that threaten the achievement of its mandate and strategic and operational objectives, based on a comprehensive Mission-specific risk universe that includes the new delegation of authority and input from all Mission components and relevant oversight reports.

MINUSMA accepted recommendation 4 and stated that the risk register and the risk response and treatment plan would be reviewed and updated on a quarterly basis. Recommendation 4 remains open pending receipt of the risk universe tailored for MINUSMA and evidence of the preparation of the updated risk register with wide consultation across the Mission components, consideration of the new delegation of authority, and input from relevant oversight reports.

C. Monitoring and reporting of risks

Need to develop a Mission-wide risk response and treatment plan with specific, measurable, actionable, realistic and timebound actions

28. The DFS instructions required MINUSMA to develop a comprehensive risk response and treatment plan for mitigating the key risks. The risk response and treatment plan should include detailed actions that are realistic and timebound and assigned to responsible risk owners.

29. The MINUSMA risk register included risk responses and treatments, which were assigned to risk owners. However, target dates for implementing the various responses were not defined. Also, in some cases the responses were mere wishes or suggestions, or not appropriate for the risk in question. For example, for the sub-risk “deteriorating security situation in the country and its adverse effect on the political and peace process”, the risk responses included providing anti-terrorist devices to the Malian Defense and Security Forces, which was not a MINUSMA policy. For the sub-risk “shortfalls in armored personnel carriers and mine-protected vehicles, adversely impacting ground transport operations”, the risk responses included MINUSMA acquiring them, although they were supposed to be provided by troop and police contributing countries.

30. OIOS review of 71 of the 94 risk responses and treatments documented in the 2018 risk register also indicated that their implementation was not monitored. Only 19 responses had been implemented, while 15 were ongoing or in progress. The rest had either been superseded or not actioned.

31. The above occurred because the Mission had not prioritized the preparation of a risk response and treatment plan that contains specific, measurable, actionable, realistic and timebound actions to mitigate the identified risks and had not ensured that the RMCO monitors the implementation of the risk responses and treatments.
(5) MINUSMA should develop a Mission-wide risk response and treatment plan with recommended actions that are specific, measurable, actionable, realistic and timebound.

MINUSMA accepted recommendation 5 and stated that it would develop a Mission-wide risk response and treatment plan. Recommendation 5 remains open pending receipt of the Mission-wide risk response and treatment plan with recommended actions that are specific, measurable, actionable, realistic and timebound.

Need to improve reporting on ERM

32. Regular risk reporting to senior management is essential to ensure that relevant information on risk management is considered in decision-making and strategic planning processes. The SRSG is required to provide quarterly reports to the Department of Management Strategy, Policy and Compliance (previously to DFS) on the status of the Mission’s key risks.

33. MINUSMA only prepared one quarterly Risk Management and Compliance Report for the period ending June 2017 for submission to the SRSG and through him to the Under-Secretary-General of DFS. No reports were prepared for the subsequent quarters. The Mission had not reminded and followed up with RCMU to systematically prepare such reports and for RCMO to brief the SRSG. As a result, the SRSG, Senior Leadership Team and DFS (or DMSPC since 1 January 2019) were not informed about the status of the Mission’s key risks and the effectiveness of the related risk responses and treatments.

MINUSMA should: (a) ensure that the quarterly risk management and compliance reports are systematically submitted to the Department of Management Strategy, Policy and Compliance; and (b) implement a process for the Risk and Compliance Officer to regularly brief the Special Representative of the Secretary-General and the Senior Leadership Team on key risks and status of risk responses and treatments in the Mission.

MINUSMA accepted recommendation 6 and stated that RMCU quarterly risk management and compliance reports would be regularly submitted to DMSPC, and the Senior Leadership Team and the SRSG would be briefed on the status of the risk responses and treatments on a quarterly basis. Recommendation 6 remains open pending receipt of evidence that risk management and compliance reporting requirements are complied with and the SRSG and Senior Leadership Team are regularly apprised of the risk status and implementation of risk mitigation measures at the Mission.

D. Management of risks and opportunities related to the new delegation of authority

Need to expedite finalization and recording of the remaining delegations of authority

34. In accordance with new delegation of authority (DoA) issued by the Secretary-General to Heads of Missions to decentralize decision-making, align authorities with responsibilities, and strengthen accountability, the SRSG was delegated various authorities in human resources management, budget and finance, procurement and property management and was also granted authority to sub-delegate to other staff. The SRSG was required to implement the new DoA by 1 July 2019, while ensuring compliance with the Financial and Staff Regulations and Rules. The Mission was required to record the sub-delegations of authority on the DoA Portal managed by DMSPC.

35. The SRSG had completed the process of sub-delegating authority in the four areas of financial administration, human resources management, procurement and property management in readiness for
implementation from 1 July 2019 and considering the risks and opportunities associated with each sub-
delegation. The Mission had recorded these sub-delegations into the DoA online portal for procurement
and property management but was yet to do so even after 1 July 2019 for the financial and human resources
functions. The Mission explained that this occurred because of unforeseen delays in the consultations
between the support and substantive sections of the Mission and lack of timely support from DMSPC.

(7) MINUSMA should enter the sub-delegations of authority for human resources and financial
administration into the delegation of authority portal.

MINUSMA accepted recommendation 7 and stated that the Mission would ensure that delegations of
authority for human resources and financial administration are entered into the DoA online portal.
Recommendation 7 remains open pending receipt of evidence of entry of the sub-delegations of
authority for human resources and financial administration into the DoA portal.

IV. ACKNOWLEDGEMENT

36. OIOS wishes to express its appreciation to the management and staff of MINUSMA for the
assistance and cooperation extended to the auditors during this assignment.

(Signed) Eleanor T. Burns
Director, Internal Audit Division
Office of Internal Oversight Services
# STATUS OF AUDIT RECOMMENDATIONS

Audit of the enterprise risk management process in the United Nations Multidimensional Integrated Stabilization Mission in Mali

<table>
<thead>
<tr>
<th>Rec. no.</th>
<th>Recommendation</th>
<th>Critical/Important</th>
<th>C/O</th>
<th>Actions needed to close recommendation</th>
<th>Implementation date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>MINUSMA senior leadership should: (a) prioritize the enterprise risk management (ERM) process and ensure that the Risk Management Committee meets regularly; and (b) appoint ERM focal points for the military and substantive components.</td>
<td>Important</td>
<td>O</td>
<td>Receipt of: evidence that meetings of the Risk Management Committee are regularly held; and the updated list of ERM focal points.</td>
<td>30 September 2020</td>
</tr>
<tr>
<td>2</td>
<td>MINUSMA should: (a) develop a training programme on enterprise risk management (ERM), including on-the-job training for ERM focal points and awareness-building for other staff members, while taking into account training courses that already exist within the Mission and in Inspira; and (b) encourage and monitor staff completion of online training courses related to ERM, and ensure that focal points meet minimum training requirements.</td>
<td>Important</td>
<td>O</td>
<td>Receipt of: a training programme on ERM; and evidence that staff with ERM responsibilities have undertaken the online course on ERM.</td>
<td>31 August 2020</td>
</tr>
<tr>
<td>3</td>
<td>MINUSMA should review the terms of reference and resources of the Risk Management and Compliance Unit to ensure that all tasks assigned to it that are considered a priority for the implementation of a coordinated and comprehensive enterprise risk management process are carried out.</td>
<td>Important</td>
<td>O</td>
<td>Receipt of the new terms of reference of the Risk Management and Compliance Unit developed following review of the Unit’s resources and workload.</td>
<td>30 September 2020</td>
</tr>
<tr>
<td>4</td>
<td>MINUSMA should establish and implement a holistic and systematic process for identifying and assessing the key risks that threaten the achievement of its mandate and strategic and operational objectives, based on a comprehensive Mission-specific risk universe that includes the new risk universe tailored for MINUSMA and evidence of the preparation of the updated risk register with wide consultation across the Mission components, consideration of the new delegation of authority, and input from relevant oversight reports.</td>
<td>Important</td>
<td>O</td>
<td>Receipt of the risk universe tailored for MINUSMA and evidence of the preparation of the updated risk register with wide consultation across the Mission components, consideration of the new delegation of authority, and input from relevant oversight reports.</td>
<td>30 September 2020</td>
</tr>
</tbody>
</table>

3 Critical recommendations address critical and/or pervasive deficiencies in governance, risk management or control processes, such that reasonable assurance cannot be provided with regard to the achievement of control and/or business objectives under review.

4 Important recommendations address important (but not critical or pervasive) deficiencies in governance, risk management or control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

5 C = closed, O = open

6 Date provided by MINUSMA in response to recommendations.
### STATUS OF AUDIT RECOMMENDATIONS

Audit of the enterprise risk management process in the United Nations Multidimensional Integrated Stabilization Mission in Mali

<table>
<thead>
<tr>
<th>Rec. no.</th>
<th>Recommendation</th>
<th>Critical(^1)/Important(^4)</th>
<th>C/ O(^5)</th>
<th>Actions needed to close recommendation</th>
<th>Implementation date(^6)</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>MINUSMA should develop a Mission-wide risk response and treatment plan with recommended actions that are specific, measurable, actionable, realistic and timebound.</td>
<td>Important</td>
<td>O</td>
<td>Receipt of a Mission-wide risk response and treatment plan with recommended actions that are specific, measurable, actionable, realistic and timebound.</td>
<td>30 September 2020</td>
</tr>
<tr>
<td>6</td>
<td>MINUSMA should: (a) ensure that the quarterly risk management and compliance reports are systematically submitted to the Department of Management Strategy, Policy and Compliance; and (b) implement a process for the Risk and Compliance Officer to regularly brief the Special Representative of the Secretary-General and the Senior Leadership Team on key risks and status of risk responses and treatments in the Mission.</td>
<td>Important</td>
<td>O</td>
<td>Receipt of evidence that risk management and compliance reporting requirements are complied with and the SRSG and Senior Leadership Team are regularly apprised of the risk status and implementation of risk mitigation measures at the Mission.</td>
<td>30 September 2020</td>
</tr>
<tr>
<td>7</td>
<td>MINUSMA should enter the sub-delegations of authority for human resources and financial administration into the delegation of authority portal.</td>
<td>Important</td>
<td>O</td>
<td>Receipt of evidence of entry of the sub-delegations of authority for human resources and financial administration into the DoA portal.</td>
<td>31 March 2020</td>
</tr>
</tbody>
</table>
APPENDIX I

Management Response
## Management Response

Audit of the enterprise risk management process in the United Nations Multidimensional Integrated Stabilization Mission in Mali

<table>
<thead>
<tr>
<th>Rec. no.</th>
<th>Recommendation</th>
<th>Critical(^1)/Important(^2)</th>
<th>Accepted? (Yes/No)</th>
<th>Title of responsible individual</th>
<th>Implementation date</th>
<th>Client comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>MINUSMA senior leadership should: (a) prioritize the enterprise risk management (ERM) process and ensure that the Risk Management Committee meets regularly; and (b) appoint ERM focal points for the military and substantive components.</td>
<td>Important</td>
<td>Yes</td>
<td>Risk Management and Compliance Unit (RMCU)</td>
<td>30 September 2020</td>
<td>MINUSMA agrees with the recommendation (a) and concurs that the Mission’s senior leadership should ensure that the Risk Management Committee (RMC) meets regularly. (b) The Mission agrees that all MINUSMA divisions shall nominate their respective ERM focal points.</td>
</tr>
<tr>
<td>2</td>
<td>MINUSMA should: (a) develop a training programme on enterprise risk management (ERM), including on-the-job training for ERM focal points and awareness-building for other staff members, while taking into account training courses that already exist within the Mission and in Inspira; and (b) encourage and monitor staff completion of online training courses related to ERM, and ensure that focal points meet minimum training requirements.</td>
<td>Important</td>
<td>Yes</td>
<td>RMCU</td>
<td>31 August 2020</td>
<td>(a): The Mission accepts the recommendation and will organize training to the ERM focal points by 30 June 2020 and will build up a risk-awareness via ERM presentation posted on a share point and will request all staff members to get familiarized with ERM. b) RMCU will establish a monitoring system on completion of mandatory training for the ERM focal points.</td>
</tr>
<tr>
<td>3</td>
<td>MINUSMA should review the terms of reference and resources of the Risk Management and Compliance Unit to ensure that all tasks assigned to it that are</td>
<td>Important</td>
<td>Yes</td>
<td>Director of Mission Support (DMS)</td>
<td>30 September 2020</td>
<td>The Mission agrees that a review of the current terms of reference and resources of the Risk Management and Compliance Unit will take place by 31 September 2020 and will ensure adequate resources for implementation of the ERM program.</td>
</tr>
</tbody>
</table>

---

\(^1\) Critical recommendations address critical and/or pervasive deficiencies in governance, risk management or control processes, such that reasonable assurance cannot be provided with regard to the achievement of control and/or business objectives under review.

\(^2\) Important recommendations address important (but not critical or pervasive) deficiencies in governance, risk management or control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.
Management Response

Audit of the enterprise risk management process in the United Nations Multidimensional Integrated Stabilization Mission in Mali

<table>
<thead>
<tr>
<th>Rec. no.</th>
<th>Recommendation</th>
<th>Critical(^1)/ Importan(^2)</th>
<th>Accepted? (Yes/No)</th>
<th>Title of responsible individual</th>
<th>Implementation date</th>
<th>Client comments</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>considered a priority for the implementation of a coordinated and comprehensive enterprise risk management process are carried out.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Management Response

Audit of the enterprise risk management process in the United Nations Multidimensional Integrated Stabilization Mission in Mali

<table>
<thead>
<tr>
<th></th>
<th>MINUSMA should establish and implement a holistic and systematic process for identifying and assessing the key risks that threaten the achievement of its mandate and strategic and operational objectives, based on a comprehensive Mission-specific risk universe that includes the new delegation of authority and input from all Mission components and relevant oversight reports.</th>
<th>Important</th>
<th>Yes</th>
<th>Risk Management Committee (RMC)</th>
<th>30 September 2020</th>
<th>The Mission accepts the recommendation and will put in place a procedure ensuring that Risk Register and Risk Response and Treatment Plan are reviewed and updated on quarterly bases.</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>MINUSMA should develop a Mission-wide risk response and treatment plan with recommended actions that are specific, measurable, actionable, realistic and timebound.</td>
<td>Important</td>
<td>Yes</td>
<td>RMCU</td>
<td>30 September 2020</td>
<td>MINUSMA agrees with the recommendation and will finalize its Risk Response and Treatment plan by 30 September 2020.</td>
</tr>
</tbody>
</table>
Management Response

Audit of the enterprise risk management process in the United Nations Multidimensional Integrated Stabilization Mission in Mali

<table>
<thead>
<tr>
<th></th>
<th>MINUSMA should: (i) ensure that the quarterly risk management and compliance reports are systematically submitted to the Department of Management Strategy, Policy and Compliance; and (ii) implement a process for the Risk and Compliance Officer to regularly brief the Special Representative of the Secretary-General and the Senior Leadership Team on key risks and status of risk responses and treatments in the Mission.</th>
<th>Important</th>
<th>Yes</th>
<th>RMCU</th>
<th>30 September 2020</th>
<th>MINUSMA agrees with the recommendations and will ensure that: (i) Its quarterly risk management and compliance reports will be submitted to Department of Management Strategy, Policy and Compliance (DMSPC); (ii) RMCU will brief the Special Representative of the Secretary-General and rest of the Senior Leadership Team on the status of the risk responses and treatment on quarterly basis.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>MINUSMA should enter the sub-delegations of authority for human resources and financial administration into the delegation of authority portal.</td>
<td>Important</td>
<td>Yes</td>
<td>Delegation of Authority (DOA) Portal administrators</td>
<td>31 March 2020</td>
<td>The Mission agrees with the recommendation and will ensure that delegations of authority for human resources and financial administration are entered in the delegation of authority portal.</td>
</tr>
</tbody>
</table>