



Industrial Development Board
Forty-sixth session
Vienna, 26–28 November 2018

Programme and Budget Committee
Thirty-fourth session
Vienna, 19–20 June 2018
Item 8 of the provisional agenda
General risk management

General risk management

Report by the Director General

Further to the report of the Director General presented at the forty-fifth session of the Industrial Development Board (IDB.45/9) and in line with conclusion 2016/8 of the thirty-second session of the Programme and Budget Committee, the present document provides an update on UNIDO's general risk management activities.

I. Background

1. The present document provides information on progress made following the report submitted to the Board on 27 June 2017, which outlined the first steps taken in implementing UNIDO's risk management framework, as well as measures taken to address the recent reduction in membership.

II. New developments

2. The UNIDO Risk Focal Point, the Director of the Department of External Relations, has initiated an initial risk mapping exercise within the Organization. The directors of each department within UNIDO have been invited to fill out a risk survey, identifying the main perceived risks in their area of operations. The survey also collects the related mitigation strategies and actions, be they already in use or currently planned. The survey is set to continue until the end of April 2018.

3. Following the completion of the above-mentioned risk mapping exercise, the collated results of the in-house risk mapping will be presented to the internal Risk Management Committee, and information on the exercise will be shared with Member States. The Risk Management Committee will analyse and assess the risk and create a corporate risk register from the data collected, rating the various risks, identifying

* Reissued for technical reasons on 8 May 2018.

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possibly missing risks and recommending mitigation strategies and actions as and where necessary.

4. To further encourage the strong interest and support already shown by Member States on this issue, the UNIDO Focal Point will also present the outcome of the initial risk mapping exercise in a briefing to Member States during the second half of 2018.

5. The risk assessment resulting from this process will also be shared with the Audit Advisory Committee. Subsequent to its presentation to the Management of UNIDO, the risk assessment will be reported to Member States.

6. As one of the risks with high impact on the financial situation of UNIDO, the risk of withdrawal of Member States from the Organization was highlighted specifically in conclusion 2016/8 and in many subsequent interventions by Member States. The Department of External Relations has already started re-engaging with a number of former Member States, while also continuing to build UNIDO's relations with other non-Member States.

7. Additional progress achieved after the thirty-fourth session of the Programme and Budget Committee will be reported to the forty-sixth session of the Industrial Development Board in the form of a Conference Room Paper.

III. Action required of the Committee

8. The Committee may wish to provide further guidance on the information provided in the present document.
