

Results of the 2020 UNHCR Risk Review

I. Background

UNHCR maintains a corporate risk register containing detailed information about risks managed by country, regional and headquarters divisions/entities. This is the main online tool for monitoring risks at the operational level. This annex provides information on the risks contained in the corporate risk register, as well as high-level trend analysis of changes in UNHCR's risk profile in 2020.

II. Methodology

Although risk registers are updated throughout the year, operations are required to conduct a mandatory annual review and update of the risk register. For 2020, this review was completed in November 2019 by country operations and during the first two months of 2020 for the regional bureaux and headquarters divisions/entities, to allow country-level risk to inform their assessments. In addition, this information reflects the substantial updates to risk registers in response to the COVID-19 pandemic, up to 30 June 2020.

III. Key trends and conclusions

In 2020, all operations (114 risk registers), bureaux (7 risk registers) and headquarters divisions/entities (20 risk registers) completed their risk review. 1,873 risks were identified, of which 876 were high risk (a reduction of 7% from 2019), 494 new risks were identified, and 865 were closed. Four notable conclusions emerged from a detailed analysis of the data.

1. COVID-19 is driving an increase in the level and number of risks

There appears to be a substantial increase in the perceived level of risk due to COVID-19. Since the finalization of the 2020 Risk Review, many COVID-19 related risks were added and some operations increased the likelihood or impact ratings of existing risks, given the exacerbating effects of COVID-19 and responses to it. As of 30 June 2020, there were 129 risks related to COVID-19 and epidemics. Of these risks, two thirds were new risks directly in response to COVID-19 while the remaining third were existing risks that were updated to reflect the impact of COVID-19.

2. The highest risk area remains Fair protection processes and documentation

Risks identified in this category focus on access to territory and preventing refoulement; access to effective and timely asylum procedures; and fraud or exploitation in asylum procedures.

Other categories of high risk include:

- Emergency preparedness and response (with a focus on disease outbreaks and mass influxes caused by political instability or violence);
- Basic needs and services (with a focus on Cash Based Interventions, WASH and healthcare, education and food security); and
- Security from violence and exploitation (with a focus on Sexual Exploitation and Abuse [SEA], detention, and maintaining the civilian character of camps).

Figure I.A
Ten largest sub-categories of all risks in the corporate risk register as at 01/05/01/05/2020

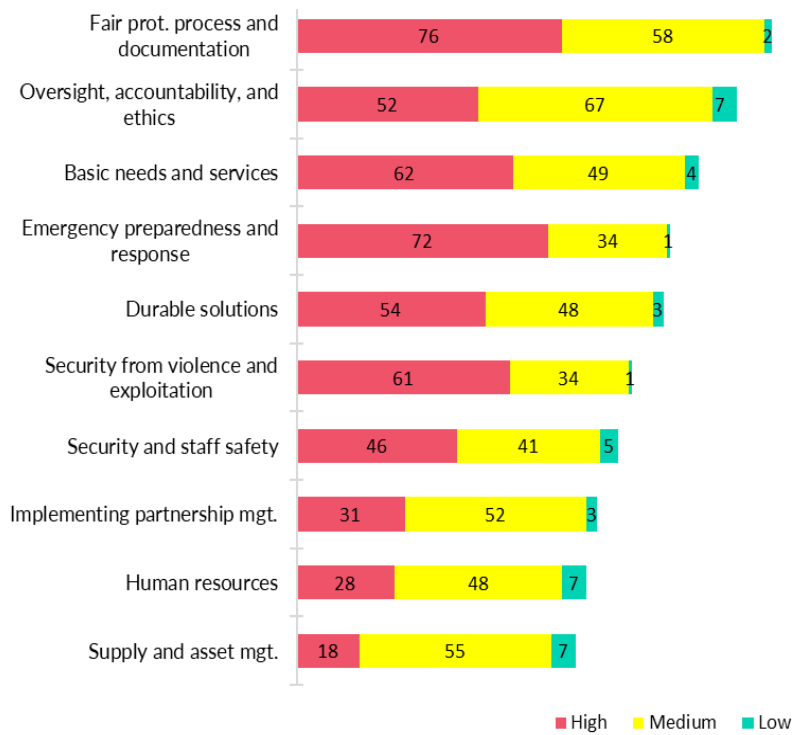
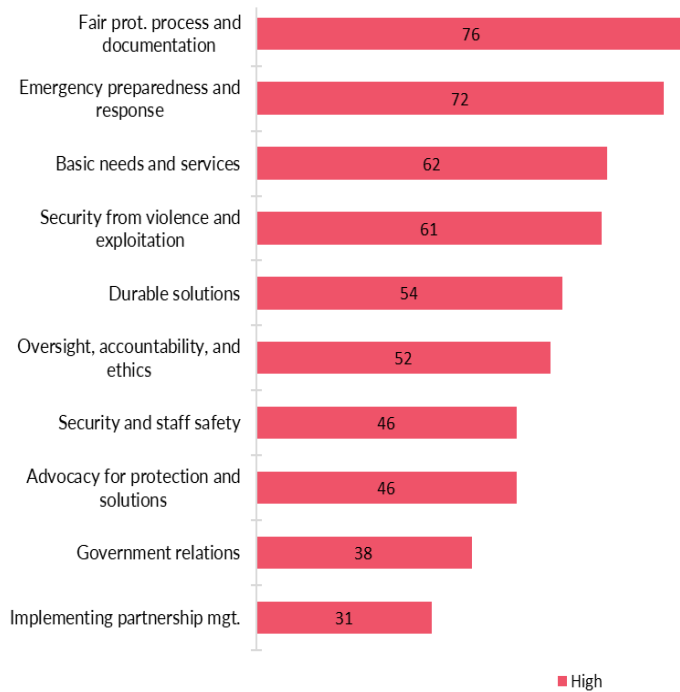


Figure I.B
Ten largest sub-categories of high risks in the corporate risk register as at 01/05/2020



3. *Three types of treatments were repeatedly identified as key to addressing the highest risks*

- Strengthening community feedback and complaints mechanisms;
- Improving both performance and protection monitoring; and
- Targeted advocacy

This implies that institutional efforts to increase capabilities in these areas (such as through training or improving relevant systems and processes) would have an outsized impact on UNHCR's ability to manage the most significant risks.

4. *The fastest growing risk category is Security from violence and exploitation*

The increasing number of Security from violence and exploitation risks is primarily driven by more SEA risks being identified. UNHCR assesses that this is driven more by heightened understanding and awareness of SEA risks across the organization, than an increasing in the underlying level of risk of SEA occurring.

Other fast-growing risk areas include:

- Oversight, accountability and ethics (with a focus on potential fraud, corruption, conflicts of interest, diversion of aid, sexual harassment, and exploitation)
- Emergency preparedness and response (with a focus on disease outbreaks and mass influxes caused by political instability or violence)

Conversely, fewer risks were reported in the areas of Financial tracking, reporting and controls and Supply and asset management as compared to 2019.

Next steps

Moving forward, UNHCR will consider the risk data from the 2020 Risk Review as part of, inter alia, the development of policies, guidance, strategic planning, resource allocation and training materials.

In addition, UNHCR will work to:

- Enhance reports and dashboards providing useful risk management information to aid in effectively in decision-making
 - Roll out enhancements to the Risk Register Tool in advance of the 2021 Risk Review to increase its usability and facilitate more intuitive capturing of opportunities
 - Revise the risk categories for the 2022 Risk Review to ensure they are aligned with the new Results Framework
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