

## **National statement - Sweden**

### **First Regular Session 2024 of the UNICEF Executive Board**

#### **Agenda item 9: Update on the development of an overarching system for enterprise risk management**

Mr/Madam President.

Thank you for giving me the floor.

Sweden welcomes the progress made by UNICEF in the development of an overarching system for enterprise risk management. We highly value to get this update on progress on the recommendations from the internal audit of ERM and the Chief Risk Officer's initial assessment of the UNICEF risk management system.

We appreciate the ongoing work for improvement in this area based on a new risk management vision, strategy, and implementation plan. We look forward to the evolved ERM framework to be launched promptly.

To establish a new senior position for risk management, the Chief Risk Officer, and transfer the responsibility for overall risk management to the Executive Office, are welcome signs of the importance that UNICEF places on this issue.

We also take note with appreciation of ongoing measures such as the integration of risk work into regular operations, the development of more user-friendly tools for reporting and managing risks, and the focus on fewer and more comprehensive risks.

It is important that the recommendations of the internal thematic audit of UNICEF's risk management system are implemented by the organisation. We note that the management response regarding the internal governance and control in the annual report highlights risks in IT security and the handling of implementing partners as areas where action must be taken.

We would like to stress the importance of creating an enterprise risk framework which is foremost useful for UNICEF's operations. How will UNICEF ensure that the new risk framework will be integrated with risk management of the operational work to avoid parallel risk management systems in line with the so-called simplification agenda?

As one of UNICEF's main donors, our message to UNICEF is NOT that the organisations should NOT take any risks. UNICEF works in complex and unpredictable environments where the risks are often high. What UNICEF needs to do is to identify risks in order to take informed decisions on risk appetite and mitigation and inform donors in a transparent way.

I take this opportunity to mention that the Swedish Government recently adopted a new strategic direction for our development cooperation entitled "Development assistance for a new era – freedom, empowerment, and sustainable growth". Our goal is to transform Sweden's development assistance – making it even more focused, relevant, effective, and transparent. Children's rights and needs are an important priority in this agenda.

For us, risk management and risk mitigation are important cornerstones to achieve tangible, long-term, and sustainable results for children. Risks must be addressed and mitigated – even in the toughest conditions. And if risks do materialize, prompt action must be taken to investigate and act. We expect transparency to achieve the highest level of accountability.

Risk management and transparency regarding risks is, ultimately, a question of creating and retaining trust in the UN system.

Thank you for your attention.