



22 January 2020

Management comments to the internal audit report on Mobile-Based Transfers in West and Central Africa (AR/19/19)

WFP Management welcomes the observations made by the Office of the Inspector General (OIG) in its audit report AR/19/19 on Mobile-Based Transfers in West and Central Africa covering the period from 1 January to 31 December 2018.

WFP Management acknowledges the overall conclusion of “partially satisfactory/major improvement needed” and the three areas identified as “high priority” as well as the seven “medium priority” observations. The implementation of the agreed actions is already underway in collaboration with the Country Offices and relevant HQ divisions and is expected to be completed by the agreed timelines.

WFP has witnessed a tremendous growth in the use of Mobile-Based Transfers in West and Central Africa over the last three years and it has become one of the important tools to reach vulnerable beneficiaries who require food assistance. Specifically, in 2018, eight countries operated Mobile-Based Transfers and an additional four countries in the region have adopted the use of mobile money as an implementation tool for food assistance, bringing the number of countries utilizing this tool in 2019 to 12 out of 19 countries.

Due to the increase in demand for the use of this tool, management recognizes the need to put in place stronger governance and more robust systems in support of programme implementation to ensure that the set objectives of Mobile-Based transfers are met. WFP Country Offices recognize the importance of mobile money as a tool to deliver hunger solutions and at the same time appreciate the challenges that come with it. WFP also recognizes its role to corporately find solutions to address these challenges, including standardizing and extending solutions to the region that are already established elsewhere in WFP.

The audit report is considered timely. In September 2019, the Regional Bureau, in response to the audit findings, held a workshop in Dakar, Senegal, including relevant Headquarters divisions, to draw up strategies and a roadmap to effectively implement Mobile-Based Transfer in West and Central Africa. The outcome of the meeting produced a commitment to build durable systems and processes to implement Mobile-Based Transfers in the region.

In addition to the clearly defined and agreed roadmap, the Bureau is looking at various support mechanisms to address the key risks identified during the audit process. Specifically, relevant units at the bureau level will be engaging with concerned Country Offices to provide immediate support, while WFP will be further strengthening corporate systems to effectively support the delivery of the Mobile-Based Transfers.

Measures are already underway to address the three high-risk observations. With regard to the enhancement of processes and guidance, robust financial and operational risk assessments are underway to improve working arrangements with Mobile Money Operators (MMOs). On the management of humanitarian bulk payments through MMO platforms, appropriate CBT support models are being examined in coordination with relevant HQ units, together with a reassessment



of core HQ CBT responsibilities. Finally, in order to enhance assurance and oversight mechanisms relating to mobile-based solutions, a priority is being given by HQ to ensure the development of integrated, end-to-end controls.

WFP Management wishes to thank OIG for its meaningful support and collaboration.