



25 January 2021

## **WFP Management Response to the Internal Audit Report of WFP's Contributions Management (AR/20/16)**

WFP Management appreciates the findings and recommendations shared by the Office of Internal Audit (OIGA) in the internal audit report AR/20/16 on WFP's Contribution Management, covering the period 1 January 2017 – 31 July 2020, and subsequently the fieldwork on 7 September- 7 October 2020, and values the collaborative approach undertaken by the Office of Inspector General during the various phases of the audit.

WFP Management appreciates that the audit has built upon the findings of the recent Strategic Evaluation of Funding of WFP's Work, which focused on upstream processes and strategy, with a review of the downstream management of grant agreements: registration, programming, utilization, adjustments, reporting, and monitoring and information management. WFP also appreciates the acknowledgement of the improved internal controls that have been put in place since the 2015 internal audit on the management of donor funding (AR/15/13).

WFP Management acknowledges the four observations, all medium priority, and the corresponding agreed actions with a deadline of 31/12/2021. WFP agrees with the overall finding that the a one-size-fits-all contributions management approach is not adapted to the spectrum of funding and financing streams and the much more diversified programmatic and service offerings of WFP's portfolio.

Regarding Observation 1 on access to information, PA has already started addressing this issue in various ways including through the functional review and the partnership officers professionalization project. WFP will complement these efforts by clarifying the roles and responsibilities at CO, RB and HQ level as well as through further training as outlined in the agreed action.

PA has also already initiated the Improving Grant Lifecycle Visualization Project (IGLV), on the DOTS platform, which will aim to give Partnerships Officers at both CO and capital level a holistic view of all the grants under their responsibility- including all the donor conditionalities, key milestones and agreed actions.

Regarding Observation 2, PA will ensure that all offices are using the corporate tools and procedures as outlined in agreed actions. PA will also work with TEC to clarify if grants should be defined as Master Data, considering also the need to ensure budget flexibility at the CSP level.

Regarding Observation 3, PA will work with TEC, to develop an ERP roadmap for a medium-to-long term solution that will better position WFP in today's diverse and complex funding



landscape. And in the short term, PA and TEC will finalize the IGLV project, which will serve as a bridge until the new ERP system is in place.

Regarding Observation 4, PA has already begun updating the Delegation of Authority for the acceptance of contributions and will ensure that it is finalized and disseminated throughout the organization. PA will also work with FIN to ensure that guidance is provided to CO on how to respond to ad-hoc reporting requests from donors, and that CO Partnerships Officer are aware of the guidance that ERMC can provide on donor queries and verifications. The IGLV project will also empower COs in their discussion with donors.

WFP Management would like to thank OIGA for its thorough analysis, receptive engagement, and collaborative support. Implementing the agreed actions will further strengthen WFP's partnerships and resource mobilisation, enabling WFP to make the most appropriate use of available resources and thus support our operations across the world.