Office of the Inspector General

Quarterly Briefing on Oversight – Activity update 8 September 2017



Internal Audit Strategy- 2016-2020



INTERNAL AUDIT VISION

A trusted business partner that helps WFP to achieve its goals through independent assurance and consulting activities that address the main risks to WFP operations.

Auditing what matters

Shift the audit focus and coverage from cyclical to risk-based audit

- Focus on critical
- Maintain appropriate field coverage
- Expand audit toolbox over time
- d Support Inter-Agency Partnerships & Commitments

Dynamic Risk Assessment

Aligning better audit risk assessment with WFP risk management.

- Assess risks and plan dynamically
- Support ERM development through targeted advisory work
- Promote better understanding of risk assessment

Cost-effective assurance

Provide better assurance by promoting the Three Lines of Defence model

- Champion the implementation of the three lines of defence
- Coordinate with other assurance providers

Provide annual assurance opinion and audit ratings

Value for Money

Continue to deliver audit services that are economic, efficient and effective

- mplement a talent management strategy
 - Communicate audit results effectively
- Explore alternative funding models
 - Seek continuous quality improvements

Risk-based workplan and oversight coordination



Since 2015, annual workplan provides visibility over entire risk universe (process and field entities), risk assessment and past coverage, including external audit

Regional Burea	ւ Country Office	Rating	Past coverage					Related thematic engagements			
			2014	2015	2016	2017 2018	nelated thematic engagements				
RBD	Nigeria emergency	7.90				✓		Audit of the emergency operation			
RBC	Yemen	7.43	✓		✓	✓		Follow up audit (2017)			
RBD	Central African Republic	7.43				Е		CORPORATE RISK REGISTER RISKS	RISK LEVEL	AUDIT APPROACH AND COVERAGE (2016)	AUDIT APPROACH AN COVERAGE (2017)
RBN	South Sudan	7.03			✓		~	1. Lack of skills for new		Audit of HRM in COs	
RBC	Syria	7.00	✓	✓		√	***************************************	initiatives	High	Advisory on the management of	
RBN	Somalia	6.86	✓	E	*	~		2. Inability to meet		Consultants and STPs • Yemen emergency	Nigeria and Yemen
RBD	Chad	6.66		Е			~	humanitarian commitments		Syria +5 assurance plan	emergenciesAdvisory on the Operational Task Force
RBC	Iraq	6.60			~		~	3. Challenge to adapt to development role		Audit of Country Capacity Capacity	·
RBB	Afghanistan	6.50	✓		√		~		Medium	Strengthening	
RBJ	Mozambique	6.47				✓		4. Inability to adapt to global shifts			Integrated Road Map
RBJ	DR Congo	6.43	~	E	~	Е		5. Lack of partner capacity / WFP		 Audit of management of cooperating partners 	 Cooperating Partners Syria
RBN	Ethiopia	6.24		✓	√			effectiveness			
RBB	DPRK	6.16				~		6. Security/health/safety risks to personnel		 Covered through CO audits 	InsuranceCovered through CO audits
RBP	Haiti	6.14	✓	Advisory	000000000000000000000000000000000000000		~	7. Challenging funding		Audit of CERF (Ethiopia)	Integrated Road Map
RBJ	Malawi	5.94	✓		✓	E		environment		 Advisory on verification missions 	
RBN	Kenya	5.92	✓	E	000000000000000000000000000000000000000	***************************************		8. Demonstrating impact without adequate evidence		Audit of Third-Party	Strategic reporting an
RBB	Pakistan	5.91	✓			Е				Monitoring	decision-making information: data integrity WFP indicatc
RBC	Lebanon	5.90	✓	✓	✓	Е					 Situation Analysis and Planning (VAM).
								9. Fraud/Corruption affecting operations		 Advisory on fraud risk assessment 	 Advisory on fraud risk assessment

OIG Assurance Opinion – Scope of work in 2017



Thematic or process audits

Enterprise Risk Management

Strategic Reporting and Decision Making and Selected KPIs

Food Assistance for Assets Programme

Beneficiary Management (also see Scope under IT audits)

Integrated Road Map (possible focus on Financial Framework Review/ CSP pilot)

Cash-Based Transfers (consolidated report)

Interagency field audits

Consolidated CERF joint audit report

RBA joint audits (HQ Security)

Field Operation audits

WFP's Operations in Yemen (desk review and audit)

WFP's Operations in Syria (Food Quality and Safety and Cooperating Partners)

WFP's Operations in DPRK

WFP's Operations in Mozambique

WFP's Operations in Bangladesh

WFP's Operations in Somalia

WFP's Operations in Nigeria

WFP's Operations in Turkey (ESSN)

IT audits

Wings – User control and segregation of duties (GRC)

Supply Chain IT Applications

SCOPE (as part of Beneficiary management)

Pro-active Integrity Reviews

Djibouti Operations

Malawi Operations

Chad

Haiti

In bold are issued reports

Audit reports available on: http://www.wfp.org/about/oversight/audit-inspection-reports

Salient points of audit reports issued to date for 2017 assurance



- 1. Food Quality and Safety in Syria
- 2. DPRK operations
- 3. Interagency initiative in Ethiopia on CERF funds
- 4. Management Performance Indicators and Supporting Information Systems
- 5. ERM
- 6. Food Assistance for Assets
- 7. Mozambique Operations

Other ongoing initiatives



- Fraud prevention Certification programme and Fraud Risk Assessment
- Enterprise Risk Management –
 Support to ERM strengthening in the audit approach and as advisory
- Cash-Based Transfer support on reconciliation processes and thresholds definition

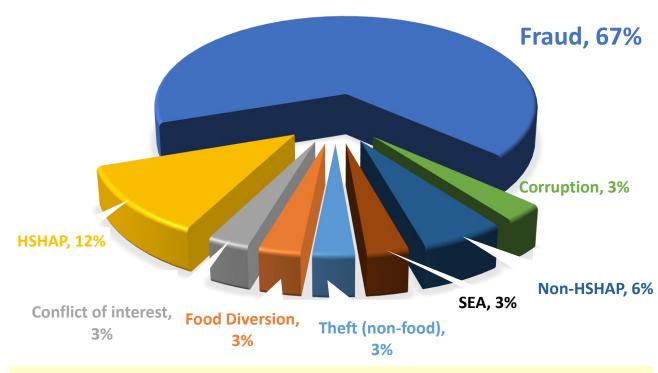
- Enhancing audit coverage: cooperating partners, project audits, consideration of donor requirements
- Data: audit analytics and data governance
- Performance and results, as an element of assessment and balancing audit conclusions

OIGI Activities



	2016	2017 as of Sept
Investigation Reports (Misconduct)	23	20
Investigation Reports Vendor/CP	0	8
Control Weakness Reports	4	2
Management Letters	4	3
Fact-finding Reports	0	0
Preliminary Evaluation Report	0	0
Due Diligence Reports	1	0
Inspections	0	0
Proactive Integrity Review Reports	5	2

Investigations completed in 2017 (by case typology)



AFAC Policy violations represent ≤80% of the cases investigated

2 additional PIRs scheduled in September (Haiti CO) and October (Chad CO) 2017

Disclosure process Investigation and PIR Reports



MEMBER STATES



OIGI

List of available
Investigations
and PIR Reports
provided to
Secretary, EB,
who informs the
Bureau

Note Verbale

TO: Inspector General, WFP

WFP.InspectorGeneral@wfp.org

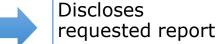
CC:

- DED
- AED Director for Partnerships, Governance and Advocacy Department
- Secretary, Executive Board
- ED Correspondence edcorrespondence@wfp.org

IG reviews request

- 1. redacted **OR**
- 2. withheld for reasons of confidentiality, possible jeopardy to the safety and security of any individual, or possible violation of the rights of individuals.

IG responds directly to request



Discloses redacted report with reason for redaction

Notifies that the report is being withheld and provides reason