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FINANCE COMMITTEE

Hundred and Eighty-first Session

Rome, 3 - 5 June 2020

Note by the Executive Director on the annual report of the Inspector General

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EXECUTIVE SUMMARY

- This document presents the Executive Director’s comments on the Annual Report of the Inspector General. It outlines actions to address issues raised in the report, and comments on the work of the Inspector General and the functioning of the Office of the Inspector General.
- The Executive Director welcomes the overall conclusion that based on the oversight work performed and reported in 2019, OIG did not identify any material weaknesses in internal control, governance and risk management processes that would seriously compromise the achievement of WFP’s strategic and operational objectives.
- The Note by the Executive Director is complemented by the comprehensive Management Review of Significant Risk and Control Issues – 2019, which incorporates findings from the revised Annual Executive Director Assurance Exercise in addition to oversight documents, and which outlines significant risk and internal control issues and work undertaken to address them.

GUIDANCE SOUGHT FROM THE FINANCE COMMITTEE

- The Finance Committee is requested to take note of the “Note by the Executive Director on the annual report of the Inspector General”.

Draft Advice

- **The Finance Committee advises the WFP Executive Board to take note of the “Note by the Executive Director on the annual report of the Inspector General”.**



World Food Programme
Programme Alimentaire Mondial
Programa Mundial de Alimentos
برنامج الأغذية العالمي

Executive Board
Annual session
Rome, 29 June–3 July 2020

Distribution: General

Agenda item 6

Date: 20 May 2020

WFP/EB.A/2020/6-D/1/Add.1

Original: English

Resource, financial and budgetary matters

For consideration

Executive Board documents are available on WFP's website (<https://executiveboard.wfp.org>).

Note by the Executive Director on the annual report of the Inspector General

Introduction

1. This document presents the Executive Director's comments on the annual report of the Inspector General.¹ It comments on the work of the Inspector General and the functioning of the Office of the Inspector General (OIG) and outlines actions for addressing issues raised in the report.
2. This document is complemented by the comprehensive Management Review of Significant Risk and Control Issues, 2019² (hereafter: Management Review), which incorporates findings from the revised annual Executive Director Assurance Exercise in addition to oversight documents, and which outlines significant risk and internal control issues and work undertaken to address them.
3. The following text refers to specific paragraphs and sections in the OIG annual report for 2019, while noting that additional details are available in the Management Review.

¹ WFP/EB.A/2020/6-D/1.

² WFP/EB.A/2020/6-E/1.

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Actions and comments

Assurance statement – opinion

4. The Executive Director welcomes the report's overall conclusion that OIG did not identify any material weaknesses in the governance, risk management or control processes in place in 2019 across WFP that would seriously compromise the overall achievement of the strategic and operational objectives of the organization.
5. The Executive Director acknowledges the areas where improvement is needed and reiterates that accountability and transparency in resource use and risk management are essential to the people WFP serves and paramount to WFP's donors. The Executive Director continues to support WFP's internal audit strategy developed in 2015, which is consistent with WFP's strategic objectives and centred on proactive risk management practices.
6. The Executive Director notes the value of OIG's continued contribution to strengthening WFP's controls, governance and risk management. The Executive Director takes note of OIG's recommendations and welcomes the overall findings in 2019.

Absence of management interference

7. The Executive Director is pleased to note OIG's confirmation – in paragraph 4 – regarding its independence, the absence of management interference in its work planning or reporting and the absence of resource constraints or other issues affecting the independence of oversight activities or the assurance opinion.

General comments

8. In the section on resources – paragraph 6 – it is noted that OIG has been allocated additional funding to carry out its important work, increasing its budget 21 percent year over year. This, combined with supplementary funding, has enabled OIG to increase its budgeted staff positions by 30 percent compared to 2018. The Executive Director appreciates that this enables the OIG to carry out additional audits and reviews and thus identify additional areas needing improvement.
9. Considering the unprecedented challenges WFP faced in 2019 with the highest number of L2 and L3 emergencies ever, not to mention the COVID-19 pandemic in early 2020, it is reassuring that the OIG Report highlights the dedication of WFP's workforce in paragraph 20. Moreover, the same paragraph confirms that WFP has adequate policies and procedures in place to carry out its work and effectively deliver on WFP's objectives and mandate, while also acknowledging a need for improvement in some areas. WFP is committed to the effective management of its workforce as a key asset enabling organizational performance, while implementing initiatives that support the best possible workplace culture as also noted in the Management Review.
10. Given the organizational focus on strengthening gender awareness and parity across all operations, the Executive Director takes note of the positive remarks in paragraph 38 concerning the gender maturity of audited operations, wherein it is noted that awareness and progress are visible across the organization.

Overview of activities of the Office of Internal Audit and key issues identified

11. The Executive Director extends an appreciation of the expanded scope of work that OIG has undertaken in 2019 including a greater balance between field and headquarters and between emergencies and non-emergencies. The 30 assignments completed during the year amounts to a 7 percent increase over 2018 and a 20 percent increase over 2017.
12. The Executive Director takes note of the main risk areas in 2019 and emerging risks identified for 2020 and provides progress by various thematic areas as outlined in the OIG Report. This information is further complemented by the Management Review as well as the respective management responses developed by the responsible division or office in response to each audit, and which are, in accordance with the Oversight Reports Disclosure Policy³ approved by the Executive Board, displayed on WFP's external website.⁴
13. While the OIG Report overall acknowledges that there are no material weaknesses that would seriously compromise WFP's work, and that policies and procedures are adequate, the Report highlights several concerns and areas for improvement. These relate to outstanding audit observations, recurrent issues identified in audits, and an overall lack of prioritization. The Executive Director recognizes that these challenges are exacerbated by the high demands placed on WFP operations across the world and the unparalleled number of concurrent high-level emergencies known as L2 and L3 emergencies. Due to the ongoing strong commitments to accountability and transparency, WFP has been implementing various initiatives that seek to mitigate some of the areas of concern:
 - **Executive Director-led reinforcement exercise.** As noted in the Annual Performance Report⁵ (APR), in 2019 WFP received 85 new high-risk internal audit recommendations, nearly triple the number received in 2018. Considering the substantial increase, the Executive Director became involved in reinforcing the message that audit issues must be addressed expeditiously. At EB.A/2019, the Executive Director noted that the status quo is not an option when it comes to transparency and accountability. Between July and November 2019, the Executive Director urged members of the Operational Management Group [recently renamed Senior Management Group] to prioritize action required in their area of responsibility and deliver expeditiously to strengthen internal controls. During the same period, WFP closed more than 100 recommendations. Follow-up continues in 2020 through established processes and a corporate prioritization exercise.
 - **Prioritization exercise.** The impact of the COVID-19 pandemic in early 2020 necessitated a review of all operations. As a result of the extraordinary demands placed on different divisions and WFP offices around the world, it was decided to review and prioritize completion of outstanding audit recommendations enabling offices to focus on the implementation of those deemed most critical with a time-bound plan. Concurrently, offices were requested to review corporate initiatives and investment cases to review and reaffirm their relevance and value to the organization in light of the COVID-19 pandemic – particularly their impact on field operations – and revise their completion dates where appropriate.

³ Policy for disclosure of oversight reports – WFP/EB.2/2012/4-A/1.

⁴ Audit and Inspection Reports: www.wfp.org/audit-inspection-reports.

⁵ WFP/EB.A/2020/4-A.

- **Enhanced awareness of internal controls and support for control assessment.** The redesign of the Executive Director Assurance Exercise⁶ (previously the “Assurance Statement”) during 2019 allowed offices to carry out a thorough assessment of their systems of control to identify what is working and what is not. All questions were revised with business experts, and action-based criteria added to help offices identify possible control strengthening actions. This allowed for more detailed feedback and also promoted awareness of internal controls throughout the organization. The process was automated with approvals based on reporting lines to enhance accountability and reduce manual processing.
 - **Strengthened capacity in the Office of the Executive Director.** Recognizing the growth that WFP has undergone in recent years, the capacity of the Office of the Executive Director has recently been augmented to enable a stronger focus on processes and procedures, including effective management oversight; this includes working more closely with the relevant departments and regional bureaux to ensure compliance with WFP standards. This strengthened capacity was also highlighted in the tone-at-the-top audit.
 - **Reinforced internal control.** In early May 2020, a guidance note on minimum control standards for managing third-party risks during emergencies was released and made available to all offices. The guidance note details control standards that must be in place, if operational conditions necessitate a relaxation in regular control processes.
14. **Tone-at-the-top.** The audit provided the organization with an opportunity to assess the overall tone-at-the-top and was expanded to also include leadership effectiveness in implementing WFP’s strategies and policies and the overall accountability framework. It was noted that there was a need to clearly define roles and responsibilities in order to facilitate the implementation of strategic initiatives and the organization’s ongoing work, while positively highlighting the outreach and accessibility of the Executive Director, the leadership’s engagement with the Board and strong crisis management. Concerted efforts have been undertaken to address the areas of improvement identified in the audit since it was released in January 2020. Executive Director Circulars have been drafted or revised to clearly outline leadership roles and responsibilities of key steering committees within WFP. The substantially revised travel manual has been released, representing a comprehensive guidance to travel and entitlements. A new performance compact has been adopted for senior leadership including regional directors. The work on the implementation of the audit observations will continue throughout 2020.
15. **Capacity constraints and internal control implementation in the field.** In 2019, WFP provided assistance to almost 100 million people in 75 countries, while responding to the highest level of emergencies the organization has ever faced – achievements that would not have materialized without WFP’s deep field presence and strong commitments from its workforce. However, as noted in the OIG Report, many country offices are straining to deliver on all initiatives and programmes, while simultaneously ensuring a high degree of compliance. The redesigned Executive Director Assurance Exercise provided country offices with valuable insights into strengths and weaknesses in their internal control systems by providing an action-oriented overview of high-priority areas, which will enable them to prioritize control strengthening actions in line with corporate guidance. The prioritization review of all corporate initiatives noted above will also help manage the strain on the organization.

⁶ More details can be found in the Management Review of Significant Risk and Control Issues, 2019 (WFP/EB.A/2020/6-E/1).

16. Moreover, having gathered valuable lessons from the initial roll-out of country strategic plans (CSPs), the process surrounding the roll-out of second generation CSPs will feature several simplifications that will decrease the burden on country offices:
 - **Streamlined review process, internal and external review on the basis of a single document.** Country offices are no longer requested to prepare a concept note, but instead submit a full draft CSP to the regional bureau and headquarters. Furthermore, the strategic and technical comments will be addressed by the country office in one revision rather than two as previously required. Similarly, the Executive Board review (informal consultation and online commenting period on the full draft CSP) will also take place back-to-back, allowing the country office to carry out a single adjustment of the draft CSP. Overall, a significant reduction of effort for country offices.
 - **Simplification of budget revisions.** The budget revision template has been simplified and focuses on key information only, enforcing a stricter word limit.
 - **Increased delegation of authority.** The recently approved delegation of authority (DoA) assigns increased approval authority to regional directors thus allowing for a faster approval.
 - **Alignment to United Nations documents.** All CSPs are being aligned with the United Nations Sustainable Development Cooperation Framework (UNSDCF), which replaced the United Nations development assistance framework (UNDAF). The UNSDCF is the primary instrument for the planning and implementation of United Nations development activities in a country. Therefore, CSP outcomes related to development work must be derived from the UNSDCF. The duration of CSPs will be adjusted to align with UNSDCF cycles. This will decrease the burden on country offices and ensure a more cohesive and consistent approach within a country.
17. **Management of non-governmental organization (NGO) partners.** The vast majority of WFP's programmatic activities are implemented through NGO partners, national as well as international. The management of these partners has been noted as a risk and is also covered extensively in the Management Review (paragraphs 27–34), as it was identified as a risk and internal control issue in the Executive Director Assurance Exercise. The management of NGO partners is largely decentralized to country offices to ensure the most effective implementation, supported by the NGO Partnerships Unit at headquarters. Recognizing this as a significant control issue, efforts have been undertaken to strengthen the NGO Partnerships Unit to enhance support to country offices including training on available tools and assessments. As outlined in the WFP Management Plan (2020–2022), the NGO Partnerships Unit was allocated three staff positions with a corresponding PSA budget. During 2020, the NGO Partnerships Unit plans to update its relevant guidance and also develop a template for control assessment.
18. With reference to the points about delivery of assistance through partners, it should be noted that progress has been made and that technological solutions will further mitigate this potential issue. The last-mile application tied to the Logistics Execution Support System (LESS) is being rolled out in several countries and will provide enhanced real-time data on deliveries to partners. For cash-based transfers (CBTs), revised guidance was issued to country offices during 2019 to facilitate a strengthened reconciliation process between WFP and partners to address operational issues. Moreover, work is being undertaken to have COMET (country office tool for managing effectively) data on distributions available in real-time to the extent possible in WFP's new data platform, DOTS.
19. In 2019, OIG carried out a governance due diligence review of two NGO partners; reviews such as these will continue to inform and strengthen NGO management.

20. **Implementation by government partners.** In selected operations, WFP works with the government to implement activities or provide technical assistance and support to national programmes. Recognizing that oversight of government partners differs from NGO partners, a corporate discussion will take place in mid-2020 at headquarters level. The discussion will outline the different components required when implementing through government partners. It will be followed by the development of a model for future collaboration including relevant processes and controls.
21. **Mobile money.** This transfer modality was identified as a current and future risk area unless stronger procedures and governance are in place. In April 2020, the Cash-Based Transfers Division and the Business Development Cash-Based Transfers Branch jointly released a comprehensive package on financial service provider (FSP) emergency due diligence. The package is designed to assist country offices in responding to an emergency situation and specifically the COVID-19 pandemic, where there is a need to quickly identify and evaluate new FSPs, including mobile money operators (MMO), to ensure continuity of CBT operations. More specifically, the due diligence package focuses on obtaining key information about the FSP's critical systems and controls, compliance with key regulatory requirements, available payment solutions and payment instruments as well as overall business processes; all details which are essential for understanding the FSP's capacity to support WFP's activity and manage potential risks. This is part of an ongoing effort to strengthen due diligence reviews of potential FSPs, with a focus on MMOs, as part of a revised FSP onboarding process. A standard operating procedure (SOP) has been developed for MMOs as well as a new contract template, which will mitigate the issues identified when combined with capacity training of CBT colleagues in the field.
22. **Information technology projects and services.** Information technology (IT) is a recognized risk area across the organization both at headquarters and field level, and such is also noted in the most recent corporate risk register. Considering the breadth of the topic, it is covered extensively in the Management Review (paragraphs 76–88) including the concerns highlighted in the OIG Report related to governance, fragmentation of projects, data protection, SCOPE (WFP's corporate digital beneficiary transfer-management platform) and cloud services. The Executive Director notes that progress in the deployment of digital information and technology and their contribution to organizational transformation have become evident across WFP, including through new initiatives. One example is the launch of the DOTS data platform in November 2019, which consolidates information from different corporate systems into a single database that can be queried ensuring a high degree of data validity and consistency, thus ensuring more informed decision making.
 - **Fragmentation of projects and governance.** WFP has been piloting an agile approach modelled on best practices from the private sector to test and identify digital solutions suitable for responding to organizational needs. Yet, the speed at which technology evolves does not always allow for an upfront understanding of the impact of digital solutions on WFP's operations, performances and achievements, as rapid changes sometimes outstrips the ability of WFP to put in place adequate measures to measure and monitor outcomes as well as the possible risks of the adopted technological solutions. While noting that the oversight recommendations referenced in the OIG Report pertain to audits released towards the end of 2019 and early 2020 with implementation ongoing, it is acknowledged that governance mechanisms in the IT area can be further strengthened. The Management Information Systems Steering Committee (MISSC) will ensure organizational alignment of IT investments and assume a stronger role in the prioritization of IT related projects. A strong governance is dependent on collaboration with other offices, a process facilitated by the continued use of Business Engagement Managers (BEMs), a service launched in 2018, who serve as first point of contact for offices seeking IT related solutions, support

- prioritization of initiatives and promote coherence of solutions across the organization.
- **Data protection and privacy.** The hiring process of a Data Protection Officer will be concluded during the summer. In the interim, WFP has through the MISSC established a responsible data task force (RDTF) in July 2019, to work on key governance issues related to personal data management. The corporate governance documents on Data Classification and Critical Data Incidents Management have been updated to strengthen existing control measures and enforce higher standards of security.
 - **Cloud services.** The fast expansion of cloud computing applications and cloud services throughout WFP operations has not always been channelled through the most optimal governance mechanisms. This has been the result of services migrated to cloud as a natural evolution of technology as well as ad hoc partnerships. Going forward, there is a focus on improving collaboration and synergy among offices to avoid implementation of cloud solutions outside the approved governance mechanisms.
23. **Human resources and workforce planning.** Considering the scale-up of WFP's activities in recent years, where employees have increased by 29 percent since 2014 in order to meet the ever-growing demands, human resources continue to be a priority area. A detailed overview of this risk and internal control issue and the steps taken to mitigate it are outlined in detail in the Management Review (paragraphs 45–53).
24. As noted in the Management Review, WFP is committed to addressing the issues highlighted in the recent Evaluation of the WFP People Strategy (2014–2017), which was released in January 2020. The six recommendations are comprehensive and will, upon implementation, address the most salient points from the OIG Report: 1) development of a broad policy to articulate the organization's vision for its workforce and workplace culture; 2) implementation of this policy through an organizational change management process; 3) revision of the human resources functional strategy to support the professionalization of HR; 4) excellence in people management through the development of a supervisors' accountability framework; 5) a comprehensive review of existing contract modalities and their use; and 6) information sharing throughout the organization on HR matters.
25. The policy will be corporately owned and will address issues not included in the prior strategy, including workforce diversity and inclusion. It is currently scheduled for presentation to the Board in February 2021. Moreover, as noted in the management response to the evaluation, the organizational alignment project (June 2018–December 2019) was carried out in some 50 countries with a focus on assisting country offices to implement their country strategic plans efficiently and effectively. A major outcome of the project was the establishment of hundreds of fixed-term positions as well as an increase in the number of national officer positions, which strengthens nationalization efforts and thus ensures continuity across an operation as international staff rotate.
26. Talent and performance management were identified as areas of concern in the OIG Report. With the ongoing Future International Talent (FIT) pools covering different technical areas, WFP will be able to identify internal and external talents that can strengthen the organization. Investments in internship programmes will also facilitate the process. Over the course of 2019 and into 2020 progress has been made in a number of areas related to training and development. An induction programme for country directors and deputy country directors was successfully launched in February 2020 with more than 20 participants attending. In addition, work has commenced on a training programme for middle managers.

27. In terms of performance management, significant progress has been made in 2019, which led to the launch of the revised Performance and Competency Enhancement (PACE) platform in early 2020. The new platform has a higher degree of accountability and includes 180-degree assessments for all supervisors (peer review and supervisor/supervisee). Furthermore, as of April 2020, all employees regardless of contract type are being covered by the new PACE.
28. Recognizing WFP's unique model, where more than 87 percent of all employees work in the field and many in challenging environments, human resources and adequate workforce planning are likely to continue presenting challenges to the organization. To address some of these challenges, WFP is actively involved in a comprehensive review of existing contractual modalities to address the changing needs of the organization and its workforce.
29. Acknowledging the importance of WFP's employees, the Executive Director together with the senior leadership team continue to take steps to improve the workplace culture, which is also covered in the Management Review (paragraphs 5–17). Furthermore, the Executive Director welcomes the upcoming audits envisioned for this area including an audit of the reassignment process, which was identified as an area of concern in the OIG Report. Moreover, advisory work on the promotion process will take place towards the end of the year. This, together with all other ongoing initiatives, will present an opportunity to review these key areas.
30. **Harassment, sexual harassment, abuse of authority, and discrimination (HSHAAD).** The importance of ensuring a safe and respectful workplace for all WFP employees continues to be of the highest priority for the Executive Director and the entire senior management team. Much progress has been made since the 2018 issuance of the revised Executive Director's circular on protection from harassment, sexual harassment, abuse of authority and discrimination in the workplace (OED2018/007). The initiatives launched and progress to date are covered extensively in the Management Review, but particularly noteworthy is the appointment of a new Senior Advisor on Workplace Culture by the Executive Director in January 2020 to lead a team to design, implement and monitor the comprehensive action plan (CAP) in 2020 and beyond. The CAP will address issues in six core areas of the organization: reaffirming values, leadership, employee engagement, policy and system revisions, discipline and communications. The Senior Advisor has been designated a member of the leadership group.
31. **Food safety and quality (FSQ).** In recent years, WFP has introduced a more complex food basket, substantially scaled up its nutrition interventions and procured increasing quantities of food. The topic, including actions taken or in process to mitigate risks, is covered comprehensively in the Management Review (paragraphs 18–26). FSQ is listed as a high priority operational risk in the March 2020 Corporate Risk Register. Substantial steps have been taken throughout 2019 and will continue in 2020 to manage risks in light of the increase in expected volume of activity. Adequate funding to implement necessary actions such as strengthening of the Food Safety and Quality Assurance Unit, development of a database, tracking of all test results to identify non-compliance, training of field colleagues, etc., was secured through the establishment of a "Food Safety and Quality Special Account" based on a cost-per-ton service charge. During 2019, the first global Food Incident Management (FIM) protocol was issued and was followed by the creation of FIM committees in country offices and regional bureaux and training. In mid-2020, the first edition of a food safety and quality manual will be released.
32. Considering food safety and quality incidents observed in several WFP operations, the FSQ unit is in the process of shifting its work from a more reactive model to a quality assurance model which works for processed foods, such as nutritious commodities. The model benchmarks WFP suppliers against industry standards and reduces risk by making suppliers legally responsible for products' composition across the supply chain.

33. **Protection against sexual exploitation and abuse (PSEA).** WFP maintains zero tolerance for sexual exploitation and abuse. In addition to the process and actions taken as noted in the OIG Report, the Annual Performance Report provides an overview of the work undertaken in this area throughout 2019. There has been extensive collaboration with United Nations sister agencies including the provision of additional training to cooperating partners. In 2019, more than 90 percent of WFP employees had completed their mandatory PSEA training.

Audit agreed actions

34. As noted earlier in this response, over the past year the number of oversight findings from OIG assurance products has increased considerably. In 2019, WFP received 85 new high-risk internal audit recommendations, nearly triple the number received in 2018. The increase is attributable to a number of factors including the overall increase in the number of audits, following the allocation of additional resources to the Office of Internal Audit, which will continue as further resources are dedicated to OIG in line with management plan commitments.
35. As of 10 May 2020, 107 high-risk internal audit and inspection issues were pending and 5 were implemented but pending OIG review to close.
36. The OIG Report notes that across all offices, overdue actions are on average 190 days over the initial estimate for implementation. It is remarked that country offices tend to be faster than headquarters at implementing oversight actions. This is partly due to the complex nature of the recommendations addressed to headquarters, as they often have organization-wide implications such as new systems, global roll-out, etc.
37. The further increase in resources allocated to OIG in recent management plans allow for broader audit and investigation coverage. However, the growing pressures owing to an increasing number of humanitarian crises pose challenges to the overall capacity to absorb and address recommendations, an issue that COVID-19 is exacerbating. This underlines the need to liaise more closely with the Office of Internal Audit (OIGA) to establish realistic timelines and more clearly define agreed actions.
38. The processes in place to monitor outstanding issues and build on the current efforts to close out audit observations initiated by the Executive Director have been further strengthened in 2019:
- Executive Director-led reinforcement exercise in 2019 and prioritization exercise in 2020.
 - Enhanced management performance key performance indicators (KPIs) used for mid-year and year-end performance monitoring.
 - Regular follow-up with owners and progress monitoring.
 - Updates on oversight recommendations, including aging, to the Executive Management Group (now renamed as the Oversight and Policy Committee – OPC).
 - The revised terms of reference of the OPC specifically state its responsibilities vis-à-vis oversight recommendations including audits and evaluations.
 - Updates on high-risk recommendations to the Audit Committee three times per year.

39. In late 2019, the first module of the risk and recommendation tracking tool (R2) was launched for the Executive Director Assurance Exercise and Letter of Representation processes. R2 is an online platform for the management of risk, assurance and oversight recommendation management processes in WFP. The risk module within R2 was also implemented and has been used to capture risk registers in 78 countries and all six regional bureaux. This provided for the first time an opportunity for a global analysis of WFP's field-based risks and how the organization can allocate support and resources to countries with the highest risk severity. The different functionalities planned for R2, including oversight recommendation tracking, will be expanded and implemented during 2020 and 2021.

Overview of the activities of the Office of Inspections and Investigations

40. The Executive Director is pleased to state that WFP continues to reinforce its policy of zero tolerance for fraud, corruption, sexual exploitation and abuse, and any form of harassment, including sexual harassment, in the workplace.
41. In its annual report, OIG acknowledges the key role that managers play to advise on possible failures of the internal control systems, weaknesses or fraudulent activities and recognizes the wide range of possible interventions including inspections and investigations.
42. Due to an increase in caseload, including a backlog of lower-priority cases, additional staff resources have been added and a regional office in Nairobi has been opened to cover investigations on the African continent and in the Middle East region.
43. A significant increase in losses due to fraud investigations was noted for 2019. A total of USD 7.6 million was substantiated compared to USD 747,287 in 2018. It should be noted that the majority of the fraud amounts recovered in 2019 was from one single settlement due to fraudulent vendor activities.
44. WFP continues to invest in its framework on anti-fraud and anti-corruption (AFAC). In 2020, it is planned to issue a fraud prevention handbook in addition to the fraud risk assessment guide issued in November 2019. An update of the AFAC policy, which was approved by the Board in 2015,⁷ is envisioned.
45. In May 2020, the Enterprise Risk Management Division (ERM) launched a new community of practice to serve as an online platform to informally discuss issues related to fraud and corruption in order to increase awareness and promote proactive fraud risk management across WFP.

⁷WFP/EB.A/2015/5-E/1.

Acronyms

CBT	cash-based transfer
CSP	country strategic plan
FSP	financial service provider
FSQ	food safety and quality
IT	information technology
MMO	mobile money operator
NGO	non-governmental organization
OIG	Office of the Inspector General
OIGA	Office of Internal Audit
OIGI	Office of Inspections and Investigations
R2	risk and recommendation tracking tool
UNSDCF	United Nations sustainable development cooperation framework