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Resource, financial and budgetary matters

For approval

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

Appointment of the WFP External Auditor for the term 1 July 2022–30 June 2028

Draft decision*

The Executive Board appoints the Bundesrechnungshof of Germany as the WFP External Auditor for the term 1 July 2022–30 June 2028.

The total annual remuneration of the External Auditor shall be USD 398,492, inclusive of fees and all other costs and expenses, to be paid in quarterly instalments.

The Board authorizes the Board President to sign a contract between WFP and the Bundesrechnungshof of Germany on its behalf.

* This is a draft decision. For the final decision adopted by the Board, please refer to the decisions and recommendations document issued at the end of the session.

Introduction

1. At its 2020 second regular session, the Board approved the process for the selection and appointment of the WFP External Auditor for the term 1 July 2022–30 June 2028.
2. Having concluded its duties, the evaluation panel presents its recommendation on the appointment of the WFP External Auditor for the indicated term.

Tender process

3. The 2021 Bureau was constituted as the evaluation panel in accordance with the process approved by the Board. However, three members of the Bureau withdrew and were replaced by their alternates. As a result, the evaluation panel was composed of the following members:
 - H.E. Luis Fernando Carranza Cifuentes, Executive Board President and Chairperson of the evaluation panel;
 - H.E. Seydou Cisse, designated by the List A Bureau member;
 - Ms KANG Hyo Joo, designated by the List B Bureau member;
 - H.E. Marie-Therese Sarch, the List D Bureau member; and
 - H.E. Zsolt Belánszky-Demkó, designated by the List E Bureau member.
4. Throughout the process, the evaluation panel benefited from the advice of the Audit Committee and the support of a technical group from the Secretariat. The technical group comprised representatives from the Corporate Finance Division and the Inspector General and Oversight Office.
5. On 25 February 2021, WFP issued a call for expressions of interest for the provision of external audit services. That call was communicated to all missions of States Members of the United Nations and the Member Nations of the Food and Agriculture Organization of the United Nations (FAO), with an invitation for them to forward it to the auditors general or officials holding equivalent positions in their countries. The deadline for reply and registration on the WFP e-tendering portal was 9 March 2021. Seven candidates confirmed their interest and registered on the portal.
6. On 18 March 2021, the request for proposals was issued and relevant documentation was sent to the candidates who had responded to the call for expression of interest. The deadline for submitting proposals was 31 May 2021. Six candidates submitted proposals by the deadline and one withdrew from the tendering process.

Technical and financial evaluations

7. Evaluation panel members received the six technical proposals on 11 June 2021, along with a preliminary evaluation and advice from the WFP technical group and the Audit Committee. Each panel member awarded scores to the technical proposals using the rating system approved by the Board, which assessed staff qualifications, training and experience; audit approaches; quality controls; and communication proposals.
8. Evaluation panel members were highly consistent in their scoring and agreed that all six candidates had submitted technically valid proposals. The evaluation panel then reviewed the financial proposals, along with advice from the technical group and the Audit Committee. The panel agreed to interview all six candidates.

Oral presentations and interviews

9. The interviews took place virtually from 12 to 15 July 2021. The evaluation panel met in advance to review its interview guide and scoring sheets in order to ensure consistency in approach and procedure for all candidates: oral presentations were limited to 15 minutes and questions were put to the candidates in the same order by the same panel members. The Audit Committee and the technical group attended the interviews as observers.

Final overall rating

10. As a result of the interviews the members of the evaluation panel adjusted their preliminary scores for each candidate, and they discussed the final average scoring and their final decision during a meeting on 15 July 2021. Based on the technical evaluation scores, the financial proposals and the interviews, the panel made its final evaluation and agreed unanimously that the best overall bid was that of the Bundesrechnungshof of Germany.

Cost of services of the Bundesrechnungshof

11. The bid of the Bundesrechnungshof refers to total fixed annual remuneration in the amount of USD 398,492, inclusive of fees and all other costs and expenses, to be paid in quarterly instalments.
12. Any increase in the total annual remuneration of USD 398,492 would require prior authorization from the Board on the basis of detailed justification by the External Auditor.

Recommendation

13. Having followed the prescribed selection procedures, the evaluation panel recommends that the Board appoint the Bundesrechnungshof of Germany as the WFP External Auditor for the term 1 July 2022–30 June 2028.

The evaluation panel expresses its appreciation for the support received from the Audit Committee and the WFP technical group.