



Annual Session of the WFP Executive Board

Item 6 g) Management Review of Significant Risk and Control Issues, 2021

23 June 2022

2021 Statement on Internal Control Highlights (1 of 3)

The annual Executive Director's Assurance Exercise forms the Executive Director's Statement on Internal Control and the Management Review of Significant Risk and Control Issues.

Record assurance exercise engagement in 2021:

- **99% completion on time; 16% reduction** in average survey length without compromising qualitative analysis
- **Multilingual support** (guidance issued in **5 languages**, complemented by multilingual helpdesk and webinars)

Issues prioritized in the Management Review for further attention:

PROGRESS MADE, BUT CONTINUED ATTENTION REQUIRED

WORKPLACE CULTURE

NEEDS IMPROVEMENT

NGO MANAGEMENT

TALENT MANAGEMENT AND WORKFORCE PLANNING

BENEFICIARY MANAGEMENT AND IT SOLUTIONS

WATCH LIST
(New from 2021)

CORPORATE PRIORITIZATION

RISKS/CONTROLS RELATED TO:

- funding landscape
- offices with budgets ≤ USD 100M

2021 Statement on Internal Control Highlights (2 of 3)

Sample of 2021 Executive Director's Assurance Exercise Responses

"Walk the walk, talk the talk, we talk about workplace culture but let senior managers bully staff without consequences."

- HQ respondent

"The biggest challenge remains the trust colleagues have in the system (which we feel has improved) and the fear of retaliation and that despite affirmations to the contrary, people fear WFP would not be able or willing to protect whistleblowers. The country director or OIGI are far away, and the lengthiness of the processes is also a deterrent."

- CO respondent

"One main challenge in terms of talent management, is the regular turnover observed within CO staff (particularly nationals) which could be directly linked to the contract types. Indeed, staff are recruited by other agencies offering them FT contracts that are more attractive to them compared to the SCs most of them have."

- CO respondent

"Gender parity is not just about numbers but should extend to women's involvement in decision-making and leadership roles, and issues of pay equity (related to staff movement from one office to another as local hires, as well as equal pay for work of equal value)."

- HQ respondent

Workplace culture and conduct

Talent management and workforce planning

Beneficiary management and IT solutions

"There was no local capacity to use corporate tools such as COMET/SCOPE/MoDa. The CO struggled all 2021 trying to sort out the best possible way to manage these tools correctly however, insufficient training support from RB/HQ led the CO to make errors and delays in our distributions."

- CO respondent

"It is important to strike the balance between the CO's technology expectations, aspirations, needs and resources available, together with the increasing demand for automation and digitalization of programmatic activities... With the new cost recovery model, if COs are asked to pay for the use of SCOPE, many may revert to using non-standardized systems."

- RB respondent

Non-governmental organization management

"Going forward, it is clear that WFP needs to reduce investment into bureaucratic procedures and rather focus on streamlining FLA management tools, particularly the management of FLA budgets."

- RB respondent

"(...) most of our partners work with so many other organizations, this may compromise quality and timely delivery."

- CO respondent

"High staff turnover among (...) NGOs makes it difficult to maintain continuity with regards to capacity building and ensure good quality work."

- CO respondent

2021 Statement on Internal Control Highlights (3 of 3)

Material incidents included in Management Review

WFP is strengthening controls in nine countries as a result of material events that took place in 2021:

- **Nigeria:** financial liabilities;
- **Democratic Republic of Congo:** security incidents, interruption of port operations;
- **Mozambique:** misappropriation of humanitarian aid;
- **South Sudan:** security incidents, food loss;
- **Somalia:** duplicate beneficiary records, food diversion;
- **Sudan:** interruption of port operations;
- **Liberia:** cooperating partners, food loss;
- **Ethiopia:** security incidents;
- **Haiti:** allegations of corruption and harassment.

Risk management is forward looking, but we learn from incidents and adapt our control environment accordingly.