

January 2016

Internal Audit of the Logistics Execution Support System (LESS) implementation in WFP (AR/15/16)

Management Comments

WFP Management welcomes the observations made by the Office of the Inspector General its audit report on WFP's implementation of the Logistics Execution Support System (LESS), focusing on the period 1 January 2014 to 31 August 2015.

WFP Management also appreciates OIG's recognition of the positive practices and initiatives identified during the audit including: effective and streamlined governance through a Steering Committee and a Project Board, further supported by a Project Charter and effective project management.

The audit team appreciated the LESS' rollout strategy, where a majority of the project investment is in local capacity building, which includes bringing connectivity to the most remote areas where WFP is operational.

The audit has been an important opportunity to confirm LESS alignment with WFP's corporate internal control requirements.

Management has already commenced implementation on the agreed actions and has put in place an action plan to address the three medium risk observations emanating from the audit. In this regard:

- (i) The LESS Project Team submitted a comprehensive budgetary analysis to the LESS Steering Committee for their review and decision on a potential adjustment to the current recovery mechanism in terms of time extension and/or dollar amount per metric tonne;
- (ii) The LESS Steering Committee has agreed to identify an independent body that will work with LESS Project Team to come up with a methodology to capture and measure all benefits generated by LESS; and
- (iii) The LESS Steering Committee will take up the issue of systems interfacing with WFP's corporate ICT governance body and evaluate the maturity and feasibility of implementing an interface between LESS and COMET. Subject to a positive outcome of the feasibility study, implement a schedule for such interface functionality and keep stakeholders informed of progress regarding this initiative.

WFP Management appreciates the opportunities identified in the context of the Internal Audit Report to improve internal controls, governance systems and would like to thank the Office of the Inspector General for the meaningful collaboration and support.