



**World Food
Programme**

**Programme
Alimentaire
Mondial**

**Programa
Mundial de
Alimentos**

**برنامج الأغذية
العالمي**

Internal Audit Report of Third Party Monitoring (AR/16/09)

Management Comments

WFP Management appreciates and welcomes the findings and observations made by the Office of the Inspector General (OIG) in its audit report on Third Party Monitoring (TPM) conducted from 1 January 2015 to 31 March 2016.

WFP Management also appreciates OIG's recognition of the many positive practices and initiatives undertaken by Management in recent years to put in place a systematic approach to TPM including: development and issuance of WFP Guidelines on Third Party Monitoring in June 2014; the implementation of practical TPM solutions thereby ensuring the availability of monitoring data in several contexts where such operational evidence would otherwise be unavailable (Iraq, DRC, Mali, Afghanistan, South Sudan, Syria, etc.); investments in TPM capacity building; and various examples of effective coordination among stakeholders directly involved in WFP's TPM solutions. The audit observations provide evidence to Management on the utility of the WFP Guidelines on TPM and the specific areas where they should be strengthened or improved.

We note that the overall conclusion of the Audit is Partially Satisfactory and that there are seven observations in total relating to governance, risk transfer and due diligence, rationale for the use of TPM, extent of TPM implementation, classification of monitoring costs, opportunities for joint monitoring, and triangulation of data, all of which are considered to be medium risk.

WFP Management is committed to ensure implementation of all agreed actions by 31 July 2017 for which a detailed action plan will be developed. Management considers the audit observations and agreed actions included in Audit AR/16/09 as an important opportunity to build on past gains and continue to strengthen its Monitoring function, even in places characterized by serious security and access constraints. Such improvements will also serve to strengthen the internal control environment and the risk assessment, information and communication aspects of TPM.