



23 November 2018

Management comments to the internal audit report of WFP Operations in Burundi (AR/18/10)

Management Comments

WFP Management appreciates and welcomes the observations made by the Office of the Inspector General (OIG) in its audit report AR/18/10. The audit focused on WFP operations in Burundi from 1 January 2017 to 31 March 2018.

During the audit period, the Country Office continued to operate within the consequential climate of the 2015 socio-economic and political crisis in Burundi, which poses notable operational challenges and has also affected CO staff. It is within this context that the Country Office transitioned to the Integrated Roadmap Model (IRM) by implementing the Interim Country Strategic Plan (ICSP). To this end, at the time of the audit, the Country Office was undergoing substantial organizational changes from a process and people perspective, including a comprehensive skills-gap analysis, followed by a staffing review exercise which was informed by the ICSP objectives.

WFP Management welcomes the OIG's acknowledgement of the efforts made by the Country Office to improve its financial management since the last audit in 2013. Accordingly, Management supports OIG's overall upgraded audit rating of *Partially satisfactory/Some improvement needed* which demonstrates the commendable results of the extensive operational and structural changes and the significant attention towards the review of the Country Office's internal guidance and oversight being undertaken by the Country Office senior management, since 2017, as noted by OIG.

WFP Management further appreciates the OIG's recognition of some of the positive practices and initiatives pursued by the Country Office, including: (i) The acknowledgement of the good status of the CO programme and design; (ii) Beneficiary inclusion/exclusion error risks that were assessed low since robust processes for geographical targeting are in place; and (iii) A sound monitoring process with significant coverage that also takes into consideration regional monitoring tools.

The implementation of the one high-priority observation, *Observation 6 - Cash Based Transfers* management, which includes the finalization of the selection of a Financial Service Provider (FSP), and the eight medium priority observations, and related agreed actions in the audit report, were already identified, in most cases before the audit, and will be fully completed by the agreed implementation dates. In particular, Management notes that *Observation 1- Governance and risk assessment* and *Observation 7- Informed decision making on transport mode and contracting modalities* are already partially implemented.

WFP Management will work closely with the Country Office to ensure the timely implementation of the agreed actions and, in collaboration with OIG, will undertake quarterly reviews of outstanding agreed actions and provide updates through the WFP internal tracking system.

WFP Management would like to thank OIG for the meaningful collaboration and support.