



19 December 2018

Management Comments to the Internal Audit Report of Smallholder Agricultural Market Support Activities in Colombia (AR/18/13)

Management Comments

WFP Management appreciates and welcomes the conclusions and observations made by the Office of the Inspector General (OIG) in its audit of smallholder agricultural market support activities (SAMS) in Colombia, covering the period 1 August 2017 to 31 July 2018.

WFP Management acknowledges the audit's overall conclusion of 'partially satisfactory/some improvement needed', as well as the two issues noted as high priority, as follows: i) strategy and plans for SAMS activities; ii) traceability of project benefit and transfers.

The implementation of the agreed actions is well underway. Management appreciates the audit's recognition that SAMS activities were creating a positive impact for over 11,000 smallholder farmers targeted by WFP, and acknowledges the audit observations on the existing alignment of activities in relation to the humanitarian-development-peace nexus. In this regard, control procedures and sustainability will be a priority in formulating the new strategy for smallholder farmers. Technical support will be also provided to ensure that the new strategy is reviewed and understood.

In terms of traceability of project benefits and transfers, Management will engage with WFP's Legal, M&E and Supply Chain units to identify checks and follow-up mechanisms for technical assistance, asset building and procurement activities. The new strategy for smallholder farmers in Colombia will follow corporate guidelines on SAMS, for the implementation of CSP activities 3, 7, 8 and 9. With the support of implementing partners and participating associations, traceability activities for smallholder



farmers will be implemented, including the amount of food sold, and area planted. The country office is consolidating the lessons learned in the traceability of activities for specific projects such as a gender study with Emory University and joint programmes (FAO-Brazil and PBF).

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

WFP Management would like to thank the Office of the Inspector General for the meaningful collaboration and support provided through this exercise.