



Internal Audit of WFP Operations in Madagascar (AR/18/14)

Management Comments

WFP Management appreciates and welcomes the observations made by the Office of the Inspector General (OIG) in its audit report AR/18/14 on WFP operations in Madagascar. The audit focused on WFP operations in Madagascar from 1 January 2017 to 31 August 2018.

During the auditing period, the Country Office continued to operate in an environment prone to natural hazards, being affected by an average of two to three cyclones per year, recurring drought, and structural poverty. The audit period covered the end of the Southern Africa El Nino Level 3 emergency response, three cyclone responses, and the more recent decision to shift, with the new Country Strategic Plan, from a focus on crisis response towards a strategy for shock-response social protection that will help build the resilience of vulnerable communities, including those affected by climate change. At the end of 2017, the Country Office performed a resource transfer of the then ongoing activities into a temporary transitional Interim Country Strategic Plan (t-ISCP) to adjust to new programme and budget management tools that WFP introduced with the Integrated Road Map. The introduction of the portfolio management approach represented an additional challenge to the Country Office, while continuing to deliver a complex mix of activities.

WFP Management welcomes OIG's acknowledgement of the fact that the Country Office is well-guided by the Regional Bureau and fully supported with regular oversight missions to enhance internal controls and proper risk management. Furthermore, WFP Management welcomes the acknowledgement of the effective usage of corporate tools such as the annual performance plan, emergency preparedness action monitoring, contribution forecast analysis in Salesforce and country-specific standard operating procedures guiding the operations. Lastly, the report globally acknowledged the efforts made by the Country Office to formulate its resilience strategy following the Rome-Based Agencies Conceptual Framework.



WFP Management acknowledges the overall conclusion of *partially satisfactory/some improvement needed* and has been proactive in taking immediate actions to improve the high-risk area. The implementation of the high priority observation on the resourcing for a complex/diverse portfolio and seven medium priority observations have already started and will be fully completed by the agreed implementation dates.

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 WFP's internal tracking system.

WFP Management would like to thank OIG for the meaningful collaboration and support and considers the audit observations and agreed actions as a valuable learning tool to improve processes.