

9 September 2022

Management Comments to the Internal Audit Report of WFP Operations in Haiti (AR/22/12)

WFP Management welcomes the observations made by the Office of the Inspector General (OIG) in its internal audit report (AR/22/12) on WFP operations in Haiti, covering the period from 1 January to 31 December 2021. WFP Management appreciates the focus on beneficiary management, cash-based transfers, finance, supply chain, and monitoring.

WFP operations in Haiti are defined in its Country Strategic Plan (CSP) (2019-2023), which aims to adopt an integrated approach along the humanitarian–development nexus; deliver direct assistance to crisis-affected and vulnerable populations; strengthen smallholders’ access to markets and strengthen their resilience; and support national institutions and partners to achieve the country’s 2030 Agenda.

WFP Management notes that the operating environment during the period covered by the internal audit was marked by severe deterioration of the political, economic, and security situation. Armed gangs now control large parts of the capital and violence continues to escalate, leading to kidnappings, population displacement, disruptions to markets, and a corresponding decrease in food and fuel availability. In that context, WFP implemented a threefold increase in assistance to meet the escalating needs of affected populations. Since its inception in 2019, the CSP has been regularly revised to reflect increased requirements due to the worsening food security situation in the country. The budget of the original Haiti Country Strategic Plan has more than doubled from USD 199 million to USD 469 million and an ongoing budget revision aims to increase the resourcing envelope to USD 730 million. Planned beneficiary numbers have increased from 1.47 to 2.88 million and will reach over 4 million once the budget revision is approved and implemented.

WFP Management acknowledges and agrees with the overall conclusion of **“major improvement needed”** and concurs with the report’s six high and two medium priority observations and the accompanying agreed actions. Action has already started, and WFP is committed to the implementation of the agreed actions within the specified timelines. Additional financial resources required to implement the agreed actions are captured in the ongoing budget revision, which also considers changes in the operating environment.

In August 2022, with the support from the Regional Bureau and Headquarters, the Haiti country office started an organizational alignment exercise to review the staffing structure, in line with corporate standards. A comprehensive training plan based on a skills-gap analysis for all key functions will be carried out. As a corporate attention emergency, Haiti is a priority for the Latin American and Caribbean region, and key positions are under recruitment to address shortcomings in beneficiary management and cash-based transfer mechanisms, including



sectorial analysis, assessments of cooperating partners, and reconciliations and risk mitigation around outsourced processes. Beneficiary management is being strengthened through the establishment of standard operating procedures to refine beneficiary verification and expand feedback mechanisms beyond the hotline to offer more options to affected populations to voice concerns. In addition, WFP will continue to increase national capacities and seek to strengthen public institutions in disaster risk management, social protection, school feeding, and climate change adaptation.

WFP Management also acknowledges the impact of staff rotation on logistics, warehouse, and commodity management. As such, the country office is working on strengthening governance and processes on food management, including through improved safety and quality, the creation of specific standard operating procedures, dedicated training, and the completion of the Logistics Services Market Assessment. This is particularly relevant given the key role WFP plays in the humanitarian community as a provider of essential services.

WFP Management would like to thank the Office of the Inspector General for its thorough analysis and its excellent collaboration with the country office team. WFP Management is confident that the implementation of the agreed actions will further strengthen the governance, risk management, and internal control processes of WFP's operation in Haiti.