

11 October 2022

## **Management Comments to the Internal Audit of WFP Operations in the Republic of Türkiye AR/22/15**

WFP Management welcomes the observations made by the Office of the Inspector General (OIG) in its internal audit report (AR/22/15) on WFP operations in Türkiye, covering the period from 01 January 2021 to 31 March 2022. WFP Management appreciates the focus on nine functional areas comprising governance, funding and resource management, human resource management, beneficiary management, cash-based transfers, supply chain, finance, monitoring and a tailored review of cooperating partner management.

Türkiye is a unique operational context for WFP. Despite being an upper middle-income country with strong government capacity, Türkiye hosts the world's largest refugee population. WFP operations in Türkiye are defined in its Interim Country Strategic Plan (2020–2022), which aims to support the Government in maintaining its model response of “non-camp solutions” for refugees. Following the hand-over of the Emergency Social Safety Net programme (ESSN) to the International Federation of the Red Cross and Crescent Societies (IFRC) in 2020, WFP significantly reduced its operations in the country, from USD 489.0 million and 1.8 million beneficiaries assisted in 2019 to USD 9.0 million and 58,368 beneficiaries assisted in 2021.

WFP Management notes the strengths and solid initiatives highlighted in the audit report. For example, despite the hand-over of its largest activity, WFP maintained a consistently funded office and successfully identified new funding sources. WFP continued supporting Syrian refugees in camps, serving 42,000 individuals in 2021, while shifting its focus from ‘saving lives’ to ‘changing lives’ with the development of its innovative livelihood activity, which will be scaled-up in the upcoming Country Strategic Plan 2023-2025. Overall, WFP is recognized as a key player in transforming Türkiye's longer-term refugee environment.

WFP Management concurs with the overall conclusion of “**some improvement needed**” and that the assessed governance arrangements, risk management and controls were generally established and functioning effectively. WFP Management also agrees that issues identified by the audit are unlikely to significantly affect the achievement of the objectives of the audited entity/area. WFP Management acknowledges the two high and three medium priority observations and is committed to the implementation of the agreed actions so that identified risks are adequately mitigated by 31 March 2023. The country office has already initiated actions to address these recommendations.

WFP Management agrees with the first high priority observation titled “country strategic plan design and sustainability” including the incorporation of emerging risks in budget plans, the issue of cost efficiency, the sustainability of the livelihood activity and the need for human resources alignment to country strategic plans. The results of an ongoing evaluation of the livelihood activity will enable the country office to determine the extent to which outsourcing some parts of the programme would streamline activities, improve efficiency, and ensure full



cost recovery. WFP management also acknowledges the second high risk observation under the heading of "implementation plan and funds monitoring" which lists certain key budgetary controls and fund monitoring processes that require improvement.

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 Türkiye.