

21 December 2023

**Management Comments to the Internal Audit Report of WFP Operations in the Bolivarian Republic of Venezuela (AR/26/12)**

WFP Management welcomes the observations made by the Office of the Inspector General (OIG) in its internal audit report on WFP operations in Venezuela (AR/26/12), covering the period from 1 January to 31 December 2022. WFP Management appreciates the audit's focus on governance and risk management, programme delivery, management of cooperating partners, supply chain, monitoring, and partnerships management.

WFP's operations in Venezuela were established in April 2021 through the signing of a Memorandum of Understanding with the Government of Venezuela. The first stage of the operation focused on the provision of school meals to children in pre-primary schools, students with disabilities in special education schools, and school staff. In 2022, WFP expanded its geographical coverage from three to eight states, increasing its assistance from 48,000 to 545,000 beneficiaries, while also increasing the number of cooperating partners from seven to fifteen. New activities in school meals, emergency preparedness and capacity strengthening were also included in the Interim Country Strategic Plan (ICSP), for the period 2023 -2025.

During the audit period, the main risks were identified and the country office sought support from headquarters and the Regional Bureau for Latin America and the Caribbean to set up appropriate controls, oversight, and mitigation measures to ensure compliance with processes and programme delivery. In addition, regular meetings were held to review contextual and emerging risks, including risk management, contracting, targeting, cooperating partner selection, and data collection.

In a relatively short period of time, WFP has been recognized as an international organization capable of implementing large-scale operations including through enhancing the capacity of local stakeholders, establishing a significant presence on the ground in a timely manner and working in close coordination with the Venezuelan State. The collaboration with authorities at the national and local levels ensured operational access, expansion of activities and technical harmonization in the areas of nutrition, education, and local procurement.

WFP Management welcomes the independent feedback provided by the audit team and recognizes the audit's overall conclusion of **"some improvement needed"** and agrees with the two high-priority and three medium-priority observations contained in the audit report. WFP welcomes the audit's acknowledgment of the positive actions undertaken by the country office and recognizes the opportunity to improve risk management, programme delivery, and monitoring controls. WFP Management fully endorses the agreed actions and has initiated their implementation, with completion expected by the third quarter of 2024. The



observations and corresponding agreed actions are well-aligned with existing management priorities and ongoing initiatives to ensure accountability to donors and beneficiaries, and to establishing a WFP operational presence in the country.

WFP Management appreciates the Office of the Inspector General's constructive engagement, along with its comprehensive analysis and collaborative assistance, which has proven to be highly valuable to increasing the effectiveness of WFP's operations in Venezuela and to the achievement of the Sustainable Development Goals.