

23 January 2025

Management Comments to the Internal Audit of WFP Operations in South Sudan (AR/24/25)

WFP Management welcomes the observations made by the Office of the Inspector General (OIG) in its internal audit report on WFP operations in South Sudan (AR/24/25), covering the period from 1 January 2023 to 30 June 2024.

WFP Management appreciates the audit's focus on risk management and oversight, programme design and implementation, monitoring, and community feedback mechanisms. The audit also included tailored reviews of strategic planning and staffing structure, resource mobilization, targeting and identity management, cash-based transfers, cooperating partner management, logistics, procurement and the implementation of the Global Assurance Project (GAP) action plan.

The scale and complexity of WFP's operations in South Sudan are unique. The South Sudan Country Strategic Plan (CSP), for the period 2023 – 2025 is being implemented in a context of political and economic instability, widespread insecurity, inter-communal violence, and climatic shocks. The ongoing conflict in Sudan has exacerbated economic stress through the disruption of markets and lost oil revenue, with nearly a million returnees and refugees crossing the border since April 2023. Consecutive years of severe flooding have disrupted livelihoods and displaced many communities. Over nine million people require humanitarian assistance, of whom over six million – nearly half the population - are acutely food insecure. Poor transport networks leave vast areas of the country inaccessible during the rainy season. As a result, WFP pre-positions the majority of food and nutrition assistance during the short dry season to mitigate the need for more costly air delivery when rains render roads impassable. During the audit period and in response to reduced funding, an organizational alignment exercise led to substantial reductions in staff numbers and the closure of three field offices.

The audit recognizes WFP's achievements in this challenging context, reaching over five million people with 184,000 mt of food and USD 58 million in cash transfers during 2023. Aligned with the reforms outlined in the global assurance plans, key risk management practices and internal controls have been strengthened, while critical business processes are being digitized to improve efficiency and effectiveness. Targeting has been effectively transitioned from a status-based to vulnerability-based approach for internally displaced persons (IDPs) and refugee caseloads, with further plans under implementation to complete the prioritization of host population caseloads in 2025. In addition, WFP is generally recognized as a trusted partner by stakeholders in South Sudan, with a strong commitment to effective programme delivery and impact, risk management and transparency.

WFP Management acknowledges the audit's overall conclusion of **"some improvement needed"** and agrees with the three high and five medium-priority observations contained in the report. WFP Management fully endorses the corresponding agreed actions and has initiated implementation, with completion expected within 2025, according to the timelines in the report.



WFP Management recognizes the need for improvements under the high-priority observations on monitoring and community feedback mechanisms and will pursue the agreed actions with a risk-based approach in line with evolving corporate standards and the operational context. WFP is committed to continue addressing control effectiveness gaps and risk exposures through robust process reviews, system and control upgrades, and innovations to meet assurance standards. Given the centrality of the annual pre-positioning exercise to programme efficiency and cost effectiveness, WFP Management recognizes the need for enhancements in the planning cycle, including streamlining advanced financing procedures with the headquarters Partnerships and Innovation Department and the Programme Budget Management Service.

WFP Management will undertake regular reviews of outstanding agreed actions and provide updates through WFP's corporate tracking tool. The Regional Bureau for Eastern Africa will provide guidance and technical support to the country office, as required.

WFP Management would like to thank OIG for their thorough analysis and constructive engagement, ensuring that the observations and actions are tailored to the operational context. Implementation of the agreed actions will play an important role in improving operational effectiveness, as well as to further strengthen the governance, risk management, and internal control processes of WFP's operations in South Sudan.