

25 February 2025

## **Management Comments to the Internal Audit Report of WFP Operations in Mozambique (AR/25/02)**

WFP Management welcomes the observations made by the Office of the Inspector General (OIG) in its internal audit report on WFP operations in Mozambique (AR/25/02). The audit covered the period from 1 January 2023 to 30 June 2024 and focused on risk management, global assurance project and oversight, needs assessment and targeting, identity management, management of non-governmental organizations, cash-based transfers, procurement, monitoring and community feedback mechanisms.

The 2023/24 rainy season in Mozambique was impacted by El Niño which contributed to persistent arid conditions, with many areas receiving less than half of typical rainfall. An estimated 20 million people (57 percent of the population) reside in districts impacted by El Niño, 2.7 million of whom were already experiencing acute food insecurity prior to the 2024 El Niño season, including nearly 1.3 million people in districts that experienced very severe drought conditions. Acute food insecurity has been on the rise in recent years in northern Mozambique, as unrest and recurring displacement compounded by climatic and economic shocks have disrupted communities' agricultural activities, livelihoods and purchasing power.

In October 2024, Mozambique held elections that were overshadowed by instability. Despite these challenges, WFP continued to implement operations across the country, including provision of critical emergency assistance to populations impacted by cyclones and unrest in northern Mozambique. During the volatile post-election period from October 2024 to January 2025, WFP recorded over 35 security incidents related to storage and transport. To protect personnel and partners, WFP strengthened risk mitigation measures and closely monitored the situation to ensure the safe delivery of lifesaving assistance. WFP Management notes that the country office achieved 87 percent of the Global Assurance Project (GAP) benchmarks introduced in 2024 and continues its work to align with global corporate standards.

WFP Management acknowledges the audit's overall conclusion of **"major improvement needed"** and agrees with the four high and five medium-priority observations. The corresponding agreed actions have been initiated, with completion expected within the agreed timelines. These actions align with WFP's existing management priorities and control strengthening efforts.

Significant efforts are underway to address the audit's observations. With a view to enhancing competitive tendering and procurement actions, WFP has already conducted refresher training of staff, scheduled further capacity-building sessions, expanded vendor outreach through public announcements, while working to strengthen procurement planning. As part of implementing GAP actions, WFP recently strengthened its staffing structure to advance the roll-out of vulnerability-based targeting (VBT), allowing for consolidating available documentation, preparing a VBT budget plan and reviewing the VBT framework to ensure optimal alignment to the new funding landscape.

Considering the need for improvements on community feedback mechanisms (CFM), WFP is in the process of reviewing its CFM visibility and awareness raising strategy to identify gaps and apply corrective measures. Funds linked to the implementation of the GAP will be used to increase

visibility of community committees to proactively engage with beneficiaries enrolled in livelihood activities and seek feedback on their concerns. Existing CFM practices are to be analysed and documented to inform the preparation of a dedicated standard operating procedure. In addition, discussions with the food commodity supplier are ongoing to examine the integration of an offline functionality that would allow data acquisition from all CFM sources (helpdesks managed by cooperating partners, community committees and suggestion boxes).

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

WFP Management would like to express its appreciation to OIG for their constructive engagement, comprehensive analysis, and efforts to ensure the audit observations and agreed actions reflect the operating context. WFP Management is confident that implementing the agreed actions in the audit report will play a crucial role in further improving operational effectiveness and efficiency and strengthening the governance, risk management and internal control processes of WFP's operations in Mozambique.