



**Management comments to the internal audit report of WFP Operations in The Democratic People's Republic of Korea (AR/14/01)**

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**Management Comments**

WFP management appreciates the observations and recommendations made by the Office of Internal Audit through this audit report on WFP operations in the Democratic People's Republic of Korea (DPRK) covering the period from 01 January 2012 to 30 June 2013.

WFP management has taken immediate action to address areas of risk identified by the audit. These include: the prioritization of beneficiary groups under project management; enhanced planning, target setting and analysis around monitoring visits and access; a revision of the Letter of Understanding for local food processing; reviews of procurement and warehouse management; reinforced security for ICT equipment and back up services; and a staffing review exercise for the Country Office and its Beijing support office.

WFP management notes with appreciation the audit team's conclusion of a number of positive practices and initiatives, among them: the positive working relationship between WFP and the Government National Coordinating Commission (NCC), WFP's counterpart at the Ministry of Foreign Affairs; the wide geographical scope of WFP's monitoring coverage and the good access to all WFP food commodity sites including ports, warehouses, institutions, public distribution centres and beneficiaries' households; Korean-speaking international staff deployed as part of the WFP monitoring team; and the change in the WFP fundraising strategy that yielded commendable results.

Overall, based on the results of this audit and following the enhancements implemented and being initiated, WFP management is reassured that its operations in the Democratic People's Republic of Korea are being successfully implemented with adequate and appropriate controls and management of risk.