

**World Food Programme****Programme Alimentaire Mondial****Programa Mundial de Alimentos****برنامج الأغذية العالمي**

June 2016

**Internal Audit of WFP Operations in Iraq (AR/16/08)**

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**Management Comments**

WFP Management appreciates and welcomes the findings and observations made by the Office of the Inspector General (OIG) in its audit report on WFP operations in the Republic of Iraq covering the period 1 January 2015 to 31 December 2015 and offers the following comments.

Protracted Relief and Recovery Operation (PRRO) 200035 which began in 2010 aimed to strengthen social safety nets in support of vulnerable groups in Iraq. A school meals programme was developed as an integral part of this operation; the project received two contributions of US\$ 17 million each from the Government of Iraq.

During 2014 and 2015 WFP scaled up its operations in Iraq in response to the displacement of civilian populations from Ninewa and Al-Anbar governorates. A Level 2 emergency was declared in June 2014 which was increased to a Level 3 within two months as the number of internally displaced persons (IDPs) grew from 480,000 to 1.8 million. By the end of 2015 the number of IDPs had reached nearly 3.2 million. In 2015 WFP assisted over 1.9 million IDPs, distributing food vouchers to the value of USD 62 million and 95,605 metric tons of food. This rapid escalation of operations took place at a time when the Country Office was reestablishing itself in Baghdad following a temporary relocation for security reasons to Erbil in 2014.

WFP Management welcomes OIG's recognition of the Country Director's strong engagement with donors and the importance of introducing the SCOPE system. OIG's acknowledgement of progress on programmatic issues such as targeting, the implementation of the Logistics Execution Support System (LESS), and strong feedback from partners is also well received.

WFP Management recognizes the overall conclusion of a partially satisfactory audit which noted one high-risk observation and eleven medium-risk observations. Management confirms that agreed actions will be implemented before the end of 2016 in an adequate and satisfactory manner. In particular the Country Office in consultation with the Regional Bureau Cairo (RBC), the Legal Office (LEG) and Management is pursuing a prompt resolution to the school feeding funding issue, which was designated as high-risk.

Management will closely monitor the Country Office's implementation of agreed actions and ensure that updates on implementation status are provided to OIG on a regular basis.



WFP Management is committed to ensuring the continuous improvement and strengthening of its internal controls, governance and risk management practices in the Iraq Country Office and sharing of best practices with other operations.