



**World Food
Programme**

**Programme
Alimentaire
Mondial**

**Programa
Mundial de
Alimentos**

**برنامج الأغذية
العالمي**

17 December 2016

Internal Audit of WFP Operation in Egypt (AR-16-16)

Management Response

WFP Management appreciates and welcomes the observations made by the Office of Inspector General (OIG) in its audit report on WFP operations in Egypt from the outlined period: 1, January 2015 till 30, June 2016.

WFP is providing assistance to 1.3 million people through its Country Programme and is assisting over 70,000 Syrian refugees, through its emergency operation, by using cash-based transfers at specific retail locations for general food assistance. WFP Management acknowledges the overall audit conclusions and has proposed mitigation measures for each recommendation with relevant timelines for implementation.

WFP Management also welcomes OIG's recognition of the Country Office's positive practices and initiatives particularly in relation to (a) the work conducted with the Central Agency for Public Mobilization and Statistics (CAPMAS) through WFP's effective investment in geo-spatial system and support towards disaster risk mitigation for the Egyptian Cabinet's Information and Decision Support Center (IDSC); (b) the Monitoring and Evaluation's innovative database system for data triangulation as well as the field observation matrix with their recognized role in supporting CO operations; (c) the creation of an online platform for information sharing on school rehabilitation activities providing easy access to partners and donors; (d) the improved supply chain coordination with Cooperating Partners (CPs) together with the tracking of stocks through a daily stock report with enhanced effectiveness of services towards beneficiaries.

Robust improvements towards the achievement of the audit recommendations for the identified high risk areas have already started, including: (a) exploring alternative and complementary means to achieve programme monitoring; and (b) the recent finalization of agreements with partner agencies for scaling up the operations to meet programme targets. Periodic reviews of CPs and performance evaluations are currently taking place with the purpose of identifying existing gaps and opportunities. Simultaneously, re-alignment of warehouse storage capacity in order to better address supply challenges faced by procurement and exacerbated by the country's economic situation has been completed.

Management has already addressed the issues of clearances with government and donor partners during a high level steering committee in order to ensure swift and prompt action is taken for monitoring activities to resume in the targeted schools.

WFP Management will provide updates to the OIG by the agreed upon deadline, as included in the report.

WFP Management would like to thank the OIG for its collaboration and support; its assurance towards the continuous improvement and strengthening of internal controls and risk management practices.