OFFICE OF THE INSPECTOR GENERAL

Audit of the role of the Office of Emergencies and Resilience in leading and coordinating FAO’s emergency response and resilience efforts (AUD0422)

EXECUTIVE SUMMARY

This report provides the results of an audit of the Office of Emergencies and Resilience (OER) conducted by the Office of the Inspector General (OIG), as part of its 2020–2021 programme of work. Specifically, the overall objective of the audit was to assess the responsibilities, authority and tools available to OER to perform its role in leading and coordinating the Organization’s emergency response and resilience efforts.

Emergency response and resilience programmes have become a large component of FAO’s portfolio. In three of the last four years, the value of new emergency and resilience project approvals was more than 50 percent of the value of all new project approvals. Fifty-five Member Nations have a high percentage of their population in acute food insecurity status, i.e. Integrated Food Security Phase Classification (IPC) Phase 3 or higher on the food security scale. IPC is a multi-partner initiative that assesses food insecurity and has five phases, with three being “crisis” and five being “famine”.

In response to this situation, the Director-General tasked FAO with the annual goal of reaching at least 60 million people in the IPC 3+ classification with emergency response and resilience interventions by 2023. In 2020, as part of a structural reform of FAO, the Director-General designated OER as the lead office for coordinating the Organization’s emergency response and resilience work in support of Country Offices.

Main observations

OER made significant progress in developing and streamlining its coordination role in the first year after FAO’s corporate reform process. An internal assessment led to its reorganization into 11 business teams, dedicated to supporting a new service delivery model that focuses on assisting Country Offices in many areas, such as data analysis; capacity building for emergency preparedness; assessing emergency risks; emergency programming; resource mobilization; planning anticipatory actions and emergency response programmes; and adopting resilience actions. Preparedness and resilience, which were formerly separate from emergency response, are now integrated elements of this assistance.

OER’s reorganization was a work in progress at the time of this audit. For example:

- FAO’s new results framework, with new Priority Programme Areas for emergency response and resilience that OER leads or co-leads, was formally approved in December 2021. Initial workplans were developed in December 2021, but the work planning process will continue in 2022.
- A feasibility review of more than 200 suggestions presented in 2020 by ten internal working groups on defining OER’s role, responsibilities, programmes and operations was still in progress in January 2022.
- A revision of Director-General’s Bulletin 2013/32 on FAO’s Level 3 emergency activation process, prepared by OER, was in draft form.
- The terms of reference for the 11 internal OER teams were in draft form.
A 2020 draft report on “Support and Services Offered to FAO Country Offices” was still under internal OER review.

The period of restructuring provides an opportunity for OER to clarify its responsibilities and identify the accountabilities within the framework of emergencies and resilience. It also provides opportunities to enhance OER’s support to Country Office operations. OIG identified potential risks and suggested several actions, agreed with OER, on monitoring progress towards meeting the IPC 3+ target; developing a mechanism for assessing the return on OER’s investment in its support to Country Offices; monitoring the use and effectiveness of enhanced processing times for standard operations (fast-track procedures); and fine-tuning the proposed emergency activation guidance.

While this audit focused on OER’s emergency response support structure, several corporate-level issues emerged that deserve further attention because they are not unique to OER. These issues, already known from other reviews, may affect the performance and effectiveness of OER. The issues also illustrate the challenge for OER in coordinating emergency response in the network of overlapping responsibilities and accountabilities; for example:

- While emergency and resilience programmes constitute one of the largest components of the FAO budget, OER remains highly dependent on extrabudgetary funding.
- The recurrent theme of limited Country Office capacity, reported in other audits, also emerged in this audit as a factor that affected the sustainability of OER support.

Conclusion

In summary, OIG concluded that some improvement is needed (see Annex 2 for the definition of audit ratings) to further strengthen OER’s role in leading and coordinating FAO’s emergency response and resilience efforts. This report contains ten actions that OER and the Resource Mobilization and Private Sector Partnerships Division (PSR) have agreed to implement by December 2022. OIG considers that the higher priority actions are to:

- agree with Decentralized Offices on a breakdown by region/subregion/country of the corporate target of assisting 60 million of the world’s most acutely food insecure people;
- develop and implement a system for capturing fundamental descriptive data on the type, extent, nature and value of OER assistance to Country Offices, taking into account the established targets, to better enable prudent strategic and resource management; and
- examine the workflow for emergency projects to identify bottlenecks in reaching the approval stage in the Project Cycle and potential mitigation measures or changes to address these bottlenecks.

Mika Tapio
Inspector General

30 March 2022
**ANNEX: DEFINITION OF AUDIT TERMS**

### AUDIT RATINGS

<table>
<thead>
<tr>
<th>Rating System</th>
<th>An audit rating system (defined below) has been used to rank the adequacy of internal controls&lt;sup&gt;1&lt;/sup&gt; in each area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Satisfactory</td>
<td>The assessed controls, governance arrangements, and management of opportunities and risks, are adequate and effective to provide reasonable assurance that objectives are met.</td>
</tr>
<tr>
<td>Some Improvement Needed</td>
<td>A few specific weaknesses in the assessed controls, governance arrangements, and management of opportunities and risks were noted; generally however, they are adequate and effective to provide reasonable assurance that objectives are met.</td>
</tr>
<tr>
<td>Major Improvement Needed</td>
<td>Numerous specific weaknesses in the assessed controls, governance arrangements, and management of opportunities and risks were noted; they are unlikely to provide reasonable assurance that objectives are met.</td>
</tr>
<tr>
<td>Unsatisfactory</td>
<td>The assessed controls, governance arrangements, and management of opportunities and risks, are not adequate or effective to provide reasonable assurance that objectives are met.</td>
</tr>
</tbody>
</table>

<sup>1</sup> FAO’s accountability policy, in an extension of the COSO internal control objectives, establishes five critical areas of performance relevant for assessing the adequacy of controls – effectiveness, economy and efficiency, compliance, reporting and protection.