Internal Audit of WFP Operations in Liberia

Office of the Inspector General
Internal Audit Report AR/19/09

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Internal Audit of WFP Operations in Liberia

I. Executive Summary

Introduction and context

1.   As part of its annual work plan, the Office of Internal Audit conducted an audit of WFP's operations in Liberia that focused on the period 1 January to 31 December 2018. Expenditures in Liberia totalled USD 5 million in 2018, representing less than one percent of WFP's total direct expenses for that year. The audit team conducted the fieldwork from 29 January to 8 February 2019 at the Country Office premises in Monrovia and through an onsite visit to the Saclepea sub-office. The audit was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing*.

2.   Violent conflict and civil war spanning for over three decades (1979 to 2003) led to the economic collapse of Liberia, making it one of the poorest and most fragile countries globally. An outbreak of the Ebola Virus Disease in March 2014 claimed 4,800 lives in just over a year and highlighted Liberia's fragility. Although Liberia was declared Ebola-free in January 2016, the crisis had a severe impact on the country's socio-economy. Following the Ebola crisis and the departure in 2018 of the United Nations peace-keeping mission in Liberia, the operational environment is changing and the Government's priorities are shifting to reconciliation, socio-economic development and poverty reduction.

3.   The Liberia country office is implementing a Transitional Interim Country Strategic Plan, covering the period from January 2018 to June 2019, the objective of which is to provide sustainable outcomes including strengthening government systems and institutional capacity at all levels. Achieving the plan's objectives has been hampered by a critically low level of funding; as at 31 December 2018 contributions of USD 11 million had been confirmed for the Transitional Interim Country Strategic Plan period, compared to total requirements of USD 29 million.

Audit conclusions and key results

4.   Following the scale-down of humanitarian activities in Liberia after the Ebola crisis, sustainable funding has been a challenge, exacerbated by the departure of the United Nations peace-keeping mission from the country in March 2018, and by tensions surrounding elections that resulted in January 2018 in the first peaceful transition of political power in over 75 years. Donor priorities, as well as those of the new Government, have shifted as the country is no longer viewed to be in need of humanitarian assistance. At the time of the audit the Transitional Interim Country Strategic Plan was only 38 percent funded, highlighting a slow engagement of donors due not only to post-emergency fatigue but also to the lead time required to align their strategies with the newly elected Government's vision. Under these circumstances there is a need to reassess the country office's resource mobilization strategy to allow for transition to the planned Country Strategic Plan from 1 July 2019 which has requirements of USD 50 million for the period 2019 to 2023. From the audit perspective, the erosion of funding opportunities resulted from a combination of the shift in donor priorities and substandard quality of WFP's execution. Fundraising efforts were also impaired by the absence of dedicated capacity, strategy and plan to prioritize and focus resource mobilization efforts.

5.   The country office went into a deficit position starting February 2018. The deficit had been foreseen in finance, budget and programming reports as early as September 2017 with delayed action by the country office management. The country office received discretionary multilateral funding allocations from WFP headquarters of USD 2.2 million in September 2017 and of USD 5.4 million in 2018 to cover for continued operations, staff and office running costs. Whilst some cost containment measures were effected on a progressive basis, the regional bureau and WFP headquarters required more stringent cost-cutting measures in 2018, including a staffing structure review.

6.   The staffing structure review, performed between March and May 2018, led to a cumulative reduction of over 60 percent in the country office's staffing level. This review was mainly driven by the objectives of reducing costs and aligning staffing to reduced resourcing levels, resulting in acute understaffing, structural organizational weaknesses and deficiencies in internal controls and risk management impacting operations still running in the country. Gaps were noted in planning and implementation of programme activities, monitoring and management oversight, and support services such as

procurement and warehouse management. These gaps give rise to concerns regarding the control the country office can reasonably maintain over its operations, and the availability, integrity and use of performance data for reporting and demonstrating results.

7.   The implementation of programme activities was reduced by almost 80 percent in 2018 compared to the previous year. Pipeline breaks occurred several times in the audit period, with on-site school meals being stopped between February and October 2018 (noting however that the Girls Take Home Rations programme continued until the end of the school year). The limited capacity of partners in the country contributed to delays in receipt of reports and increased risks related to the quality of data collected and reported on implemented activities.

8.   Due to resource constraints beneficiary verification had not been consistently carried out, increasing the risk of assistance not being provided to those most in need. Severely reduced monitoring activities were carried out during the period from July to December 2018; there was insufficient data to compute actual coverage. Monitoring processes lacked robust planning, coordination and report quality controls, as well as processes to systematically identify issues, escalate risks, and follow up on remediation actions. Process improvements were also needed to triangulate information provided by partners working with schools on the Home-Grown School Feeding programme to ascertain its accuracy and validity.

9.   Based on the results of the audit, the Office of Internal Audit has come to an overall conclusion of **Ineffective / Unsatisfactory**. The assessed governance arrangements, risk management and controls were not adequately established and not functioning well to provide reasonable assurance that the objectives of the audited entity should be achieved. Issues identified by the audit could seriously compromise the achievement of the objectives of the audited entity. Urgent management action is required to ensure that identified risks are adequately mitigated.

10.   The audit report contains eight high and three medium priority observations. A listing of observations is provided in Table 1.

Actions agreed

11.   Management has agreed to address the reported observations and work to implement the agreed actions by their respective due dates. The Office of Internal Audit would like to thank managers and staff for their assistance and cooperation during the audit.

Kiko Harvey

Inspector General

II. Context and Scope

Liberia

12.   Liberia is a least-developed, low-income, and food-deficit country with a population of 4.7 million people. According to the 2017 United Nations Development Programme (UNDP) Human Development Report, it was ranked 181 out of 189 countries, falling within the category of countries with low human development. Liberia suffered violent conflicts spanning almost three decades from 1979 to 2003; widespread violence during military rule (1980-1990); and two civil wars (1989-1996 and 1999-2003). As a result, national gross domestic product (GDP) fell by 90 percent between 1987 and 1995, one of the biggest economic collapses ever recorded in the world[1]. Subsequently the Ebola Virus Disease outbreak (2014 to 2015) caused significant socio-economic disruption; the World Bank estimates the outbreak could have cost Liberia as much as USD 234 million or 12 percent of its GDP. The socio-economic conditions are stark, with 54 percent of the population living below the global poverty line, a third of which live in extreme poverty

13.   According to the 2018 Comprehensive Food Security and Nutrition Survey Report, approximately one in five households in Liberia is food insecure (16 percent moderately food insecure and 2 percent severely food insecure), while two in five are marginally food secure (42 percent), and therefore vulnerable to falling into food insecurity as a result of shocks or hazards. Food insecurity disproportionately affects rural areas (23 percent of rural households are food insecure, compared to 11 percent of urban households). According to the Liberia National Nutrition and Mortality Survey, malnutrition of children less than five years is a persistent problem with 36 percent stunted and 15 percent underweight.

14.   To improve infrastructure and social service delivery, the Government launched the Pro-Poor Agenda for Prosperity and Development in late October 2018, as part of a national development plan to make Liberia a middle -income country by 2030, aligning to the Sustainable Development Goals target.

WFP operations in Liberia

15.   The Liberia country office (CO) is implementing a Transitional Interim Country Strategic Plan (T-ICSP), which focuses on school meals, livelihood/resilience, nutrition, capacity strengthening of national institutions, and supply-chain services for development and humanitarian actors. The T-ICSP initially covered the period from January 2018 to December 2018. It was extended for a further six months to June 2019 to allow the CO to develop and finalize the five-year Country Strategic Plan (CSP) (2019-2023), in full alignment with the United Nations Development Assistance Framework (UNDAF) and the Government's National Development Plan, whose target completion date is January 2020.

16.   The CO and other UN agencies, in support of country-level implementation of the 2030 Agenda, supported the Government technically and financially to conduct the Liberia Zero Hunger Strategic Review (ZHSR) which was released in May 2017. The recommendations of the ZHSR will inform the formulation of the five-year CSP.

17.   The CO has three sub-offices and operates with a total of 69 staff (20 percent of which are female). The key activities implemented through partnership with the Government and other partners are:

   (i)   *Strategic outcome 2:* Home-grown school feeding (HGSF): The CO in collaboration with the Government designed the HGSF programme. The programme focuses on using food that is locally grown by small holder farmers for schools and progressively for sale in other markets as well. This is intended to benefit both children and farmers alike, as it aims to tackle hunger and improve nutrition, increase children's access, participation and achievement in school and overall support livelihoods and promote inclusive agricultural growth. The CO in collaboration with the Government (Ministry of Education), and three community-based organizations is implementing HGSF in 62 schools (20,000 school children) in Nimba County. Currently, 12 farmers' groups (of 10 members each) have been linked to these schools and are selling their surpluses to them directly.

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[1] Liberia Poverty Reduction Strategy 2008.

(ii) *Strategic outcome 4:* Food Assistance for Assets: This activity is funded by the Japanese Smallholder Agriculture Development Project (SHAD-P) to facilitate conversion of lowland swampy land to full water control levels to allow for agricultural activities to be carried out. Other connected activities are the development of community feeder roads, fish ponds and renovation of public schools.

(iii) *Strategic outcome 5:* Capacity strengthening: This activity supports the Government and non-governmental organization (NGO) partners through training of farmers on structure development and maintenance and water management of lowlands. There is also a focus on enhancing the capacity of the Government in managing the school feeding programme.

18. The T-ICSP had six outcomes; however only three had been significantly funded. At 31 December 2018 contributions of USD 11 million had been confirmed, compared to total T- ICSP requirements of USD 29.3 million.

Objective and scope of the audit

19. The objective of the audit was to evaluate and test the adequacy and effectiveness of the processes associated with the internal control components of WFP's operations in Liberia. Such audits are part of the process of providing an annual and overall assurance statement to the Executive Director on governance, risk-management and internal control processes.

20. The audit was carried out in conformance with the *Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing.* It was completed according to an approved engagement plan and took into consideration the risk assessment exercise carried out prior to the audit.

21. The scope of the audit covered the period from 1 January 2018 to 31 December 2018. Where necessary, transactions and events pertaining to other periods were reviewed.

22. The audit field work took place from 29 January to 8 February 2018 at the CO premises in Monrovia and through a field visit to the Saclepea sub-office.

III. Results of the Audit

Audit work and conclusions

23. The audit was tailored to the country context and to the objectives set by the CO, taking into account the CO's draft risk register (RR), findings of WFP's second line of defence functions, as well as an independent audit risk assessment.

24. Based on the results of the audit, the Office of Internal Audit has come to an overall conclusion of **Ineffective / Unsatisfactory**. The assessed governance arrangements, risk management and controls were not adequately established and not functioning well to provide reasonable assurance that the objectives of the audited entity should be achieved. Issues identified by the audit could seriously compromise the achievement of the objectives of the audited entity. Urgent management action is required to ensure that identified risks are adequately mitigated.

Risk management maturity

25. The CO had prepared an Annual Performance Plan and RR for 2018, however regular updating of risks and review of status of mitigation actions had not been completed in line with corporate requirements. An emergency preparedness and response package (EPRP) and business continuity plan (BCP) were not updated at the time of the audit.

26. Some oversight missions from the Regional Bureau Dakar (RBD) had been conducted during the audit period. These provided inputs, expertise and guidance where the CO lacked its own capacities. Recommendations provided by RBD had generally not been tracked and implemented consistently at the time of the audit as the CO also lacked resources to implement the recommendations.

Data quality

27. Challenges relating to availability and quality of data were identified during the audit and have been reported in observations 4, 5, 6 and 7, including issues regarding data quality and availability for targeting, beneficiary management, completeness of data in the COMET system, and monitoring.

Observations and actions agreed

28.   Table 1 outlines the extent to which audit work resulted in observations and agreed actions. These are rated as medium or high priority; observations that resulted in low priority actions are not included in this report.

Table 1: Overview of areas in scope, observations and priority of agreed actions	Priority of issues/agreed actions
A: Governance and structure	
1. Organizational structure and workforce planning	*High*
2. Management oversight	*High*
3. Risk management and emergency preparedness	*Medium*
B: Delivery	
4. Programme delivery and beneficiary management	*High*
5. In-country programme monitoring and feedback management	*High*
6. Cash-based transfers	*Medium*
C: Resource management	
7. Resource mobilization	*High*
8. Budget monitoring	*High*
D: Support functions	
9. Supply chain management	*High*
10. Food safety and quality	*Medium*
E: External relations, partnerships and advocacy	
11. Partnerships and capacity development	*High*

29.   The 11 observations of this audit are presented in detail below.

30.   Management has agreed to take measures to address the reported observations[2]. An overview of the actions to be tracked by internal audit for implementation, their due dates and their categorization by WFP's risk and control frameworks can be found in Annex A.

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[2] Implementation will be verified through the Office of Internal Audit's standard system for monitoring agreed actions.

A: Governance and structure

The audit examined the CO's capacity to support current levels of activity under the T-ICSP and to sustain the implementation of the proposed 2019-2023 CSP. This involved review of strategic planning and performance, organisational structure and management oversight activities.

At the time of the audit the T-ICSP was funded at 38 percent. Due to budgetary constraints the CO performed a major staffing and structure review (SSR) in 2018 as a measure to reduce expenditure and manage operational costs; this resulted in reduction of staffing of over 60 percent. This in turn severely impacted the CO's capacity to effectively undertake all planned activities, and resources were not adequate to respond to the needs of the T-ICSP, including an emergency flood response in late 2018. Understaffing, and/or lack of appropriate skills and capacity, is a root cause of many of the internal control issues highlighted in this report, and is also a factor contributing to the CO's inability to gather evidence of results needed to advocate for funding.

Observation 1	Agreed Actions [High priority]

Organizational structure and workforce planning

Staffing and structure review: The SSR carried out in April-May 2018 was performed, and changes were implemented, without adequate analysis of the CO's context, anticipated workload and workforce needs. The audit observed that fundamental steps required for an organizational realignment were not carried out, such as analysis of workforce profile needs versus costs, definition and review of proposed operating models, preparation and implementation of transition plans, and evaluation of structural and workforce changes. Complete documentation for the SSR process was not maintained, and decisions concerning compensation of separated staff had not been finalized at the time of the audit.

Adequate consideration had not been given to how the CO will be able to implement the 2019-2023 CSP with the current workforce and staff capacity, resulting in a high risk for the successful implementation of the CSP.

Organizational structure: As a result of the SSR, the CO had adopted an organizational structure with a high number of direct reports to the Country Director, resulting in his involvement in almost all decision-making, including administrative issues. This impacted the time available for other strategic activities.

Key positions in procurement, supply chain, sub-offices, human resources and monitoring and evaluation (M&E) were vacant at the time of the audit. In certain instances, staff were performing two key roles (for example the Budget and Programming Officer and M&E roles were occupied by the same person), which impacted the level of effectiveness of one or both functions. Additionally, the head of sub-office position and functions such as procurement, HR and supply chain were not staffed with the necessary capacity and/or seniority.

Committees: Key committees in the CO, including the resource management committee, budget committee, operational planning committee and the cooperating partners committee, were predominantly composed of the same staff members and were in most cases chaired by the Deputy Country Director. The same staff were also sitting in other ad-hoc committees. This imposed constraints on the time available to perform other duties.

The CO had one of the lowest gender parity ratios in WFP, with only 20 percent female staff.

Underlying causes: Primary objective of the SSRs cost reduction and lack of consideration given to retention of core staff and skills commensurate with CO's level of activities. Funding constraints necessitating cost reduction through staff reduction. Lack of adequate workforce planning and skills gaps analysis. Lack of staff capacity for effective representation and participation in oversight activities.

The CO will:

(i) Review its staff capacity and workload to determine the necessary capacities and capabilities required to enable CSP implementation and appropriate management oversight within reasonably expected funding levels. This should include consideration of focus on some key activities should funding prospects not allow for a structure and staffing that caters to all needs and activities;

(ii) Following the above assessment, carry out workforce planning and talent acquisition to fill capacity and skills gaps;

(iii) Prioritize and document attention to gender parity during talent acquisition; and

(iv) Review the organigramme and realign the CO structure to facilitate effective delegation of decision making.

Due date: 31 December 2019

Observation 2	Agreed Actions [High priority]

Oversight and fraud prevention and response

Oversight missions and actions taken: The CO received oversight missions during the audit period from RBD covering various process areas, including IT and procurement, which reported significant high-risk observations and recommendations. The CO had no systematic mechanism for allocating responsibilities for accountability, tracking and follow-up to ensure implementation of the recommendations; the audit observed that a majority of recommendations had not been actioned.

There was limited documentation to demonstrate implementation of oversight by the CO over sub-offices.

Fraud prevention and response: There was lack of management action and appropriate escalation to the Office of Inspections and Investigations (OIGI) of reported possible fraudulent activities linked to school feeding activities. Contracts with vendors were noted to have outdated anti-fraud, anti-corruption and protection from sexual exploitation and abuse (PSEA) clauses. The average completion rate for mandatory ethics and fraud training was 48 percent.

Underlying causes: Lack of a mechanism for recommendation tracking and follow-up. Limited plans and travel budget to perform oversight on sub-offices. Delay in escalation of issues to OIGI.

The CO will:

(i) Develop a mechanism for allocation of responsibility, prioritization, tracking and follow-up for oversight recommendations;

(ii) Plan and budget for monitoring and oversight of sub-offices;

(iii) Comply with corporate protocols to report allegations of fraud to OIGI;

(iv) Update the anti-fraud, anti-corruption and PSEA clauses in vendor and cooperating partner (CP) contracts; and

(v) Enforce completion of mandatory ethics and fraud training.

Due date: 31 August 2019

Observation 3	Agreed Actions [Medium priority]

Risk management and emergency preparedness

With respect to risk management:

- The 2018 RR, although established, was not regularly used and updated, and was not comprehensively utilized to update the EPRP. Mid-term review and update of risks and mitigation actions had not taken place, and a majority of the risks were indicated as "ongoing", although some had materialized such as a flooding emergency in the year. A cash-based transfer (CBT) risk register was not established nor were CBT risks incorporated in the RR, although the CO responded to the flooding emergency by utilizing a CBT mobile money modality.
- At the time of the audit (end of January 2019) the 2019 RR had not been prepared.

Simulation for the EPRP was last carried out in 2014. The plan had not been updated during the audit period, only in January 2019 when the audit fieldwork was being conducted. The flooding crisis in 2018, which was a high risk in the risk register, and also highlighted by the UN resident coordinator as a key area for WFP intervention, was not referenced or included in the EPRP. The CO developed a BCP in 2017, which was never tested or updated, including following staff changes after the 2018 SSR exercise.

Underlying causes: Limited staff capacity to dedicate to risk management activities.

The CO will:

(i) Update the risk register, the EPRP and the BCP, and introduce processes to keep these tools up-to-date; and

(ii) Test the EPRP and BCP for effectiveness and practicability.

Due date: 31 October 2019

B: Delivery

The audit performed tests and reviews focusing on livelihoods, assets rehabilitation and cash programming activities: (i) programme design including assessments, prioritization, and targeting; (ii) programme implementation including beneficiary management; and (iii) M&E. As part of the audit fieldwork two schools and two farmers' organizations were visited in the Nimba and Bong counties for on-site verifications of programme delivery, reporting and warehouse management activities.

The CO identified and piloted the cash-based assistance HGSF project in 62 schools as a key opportunity to address gaps in food security and nutrition amongst schoolchildren as well as challenges in the agricultural sector. This was in alignment with the Government priority to build a multi-faceted intervention that integrates agriculture, nutrition and education as a long-term sustainable solution to fight or end hunger in the country. A mid-term review of the project was done in January 2019 by the CO and the Ministry of Education with the aim to strengthen capacities and maintain oversight on the programme implementation at the schools.

In July 2018, the CO responded to a flooding crisis with a target of 37,000 beneficiaries through CBT assistance and general food distribution. The CBT assistance faced significant delays due to inherent difficulties in validating beneficiary data provided by the National Disaster Management Agency. The CO is planning to undertake a lessons-learned exercise to better respond to similar emergencies in the future.

The CO is planning to finalize SCOPE implementation which should help integrate and digitalize beneficiary data, close verification gaps and address duplication of records.

Observation 4	Agreed Actions [High priority]
Programme delivery and beneficiary management	The CO will:
Targeting and coverage: The formulation and design of operations and programmes to be included in the 2018 T-ICSP was informed by surveys carried out in 2012, 2013 and 2015; however the CO did not consistently adjust this formulation with results from the 2017 Zero Hunger Strategic Review and the 2018 Comprehensive Food Security and Nutrition Survey, which reported that the highest numbers of food insecure households were in Maryland, Bomi, Nimba, River Gee and River Cess counties. The CO continued to focus on the implementation sites from the previous years.	(i) Integrate results of the 2018 Comprehensive Food Security and Nutrition Survey into targeting and prioritization strategy and programme design;
The beneficiary targeting process did not provide assurance that targeting criteria were consistently applied and were adequate to prioritize the most vulnerable. In some instances, the CO did not perform an independent verification of beneficiary lists provided by the Government, especially for the school feeding programme. This contributed to the risk of providing assistance to non-functioning schools as witnessed during an audit field visit.	(ii) Establish a process to independently verify or validate beneficiary lists provided by the Government;
Distribution planning and reporting: The CO had not maintained comprehensive documentation on distribution plans, in particular indicating cancelled distributions and reasons for pipeline breaks. Hence the audit could not determine the level of implementation for the audited period. Figures for distribution plans and reports for schools were provided aggregated at the county level, which did not allow for tracking of beneficiaries and commodities at the school level. Distribution sites were not identified in COMET to allow for precise and streamlined planning and reporting.	(iii) Review and enhance the process for distribution planning and reporting, collating comprehensive information in case of cancellation and pipeline breaks;
In the CBT HGSF programme, the audit field visits identified weaknesses at the school level affecting the quality of reported information:	(iv) Develop a comprehensive plan to enhance internal controls, including capacity development, supervision and monitoring for the implementation of the HGSF programme before further scale up;
• Schools visited did not accurately keep and track records on student enrolment and attendance in schools. Actual students at the time of the visit were lower than reported.	(v) Develop a plan and timetable to deploy a light version of SCOPE in Liberia;
• Records on actual feeding days were insufficient.	(vi) Determine and budget for sufficient levels of resources to ensure the timely recording of information in COMET; and
• Bank reconciliations were not performed at school level.	(vii) Finalize SOPs and guidelines for all programme delivery and implementation processes, defining roles and responsibilities for each stakeholder.
• Documentation on payment vouchers and cheques was insufficient.	
• Food was delivered without waybills.	Due date: 30 September 2019

- Documentation of commodities distributed, consumed and in storage was not sufficient for control and reconciliation with student attendance and numbers.
- Storage facilities were poor.

The HGSF programme is a flagship project for the CO with the aim of scaling up to more schools in the future CSP and as funding availability increases. The above issues pose a significant challenge and require revision of the processes associated to the programme and controls in place prior to a scale-up.

Standard operating procedures (SOPs): SOPs governing the management of programmes were not finalized with respect to all relevant areas such as programme objectives, roles and responsibilities, food safety and quality, nutrition requirements, and beneficiary counting methodology.

Data management: SCOPE was partially rolled out in Liberia in 2017. The process was not finalized to integrate and digitalize beneficiary data. Consequently the system is not in use. Outputs and outcomes records in COMET were incomplete and had been partially uploaded during the audit visit. Implementation plans could not be recorded due to technical limitations faced within the COMET system.

<u>Underlying causes</u>: List of schools per county provided by the Government with minimal input from WFP. Limited staff capacities. Funding constraints to finalize SCOPE registration. Insufficient coordination between programme activity managers and unclear stipulation on roles of actors (school administration, Ministry of Education, WFP and community-based organizations) at school level. Inadequate monitoring and supervision of the HGSF by both Ministry of Education and WFP.

Observation 5	Agreed Actions [High priority]
In-country programme monitoring and feedback management	The CO will:
Monitoring guidelines: The CO monitoring strategy had not been updated in line with the revised CSP corporate monitoring strategy regarding the definition of monitoring functions, including reporting and communication flows, roles and responsibilities, and coordination mechanisms. The CO did not have SOPs in place to achieve consistency in processes, methodologies and monitoring frequencies, including the management of the complaints and feedback mechanisms (CFM).	(i) Review and update the monitoring strategy and plan considering CSP activities, minimum monitoring coverage targets, information sources and relevant resources. This should inform resources requirements as noted in Observation 1;
Monitoring planning and reporting: Distribution and process monitoring had not been planned or performed since June 2018, therefore not providing assurance that the outputs communicated by partners were accurate. The CO had not maintained sufficient information to allow for evaluation of the overall coverage of monitoring activities.	(ii) Prepare SOPs and/or guidelines for monitoring activities and management of the CFM, including: (a) escalation and referral of critical issues; (b) mechanisms to secure confidentiality of complaints received; and (c) reporting back to beneficiaries on the status or resolution of complaints;
Triangulation and verification data: Systematic reconciliation between distribution plans and distribution and monitoring reports was not performed. As a result, it was not possible to verify or crosscheck information reported by CPs and community-based organizations (CBOs) against distribution planning figures, actual physical counts and data reported by schools on enrolment and attendance.	(iii) Develop a systematic mechanism to triangulate information and data obtained from different sources, such as distribution reports, for analysis and follow-up;
Tracking and follow-up of monitoring findings: Processes in place to record, categorize, prioritize, track and follow up issues arising from monitoring activities, when conducted, was not comprehensive or consistent. The audit observed inconsistencies in the prioritization and treatment of findings in the monitoring matrix, as well as gaps in assigned responsibilities and identification of mitigating actions and follow-up when these were identified. Long outstanding issues were identified in the monitoring matrix due to limited follow-up; there had been a lack of escalation and inaction on potentially serious incidents reported.	(iv) Develop a systematic mechanism for recording, categorizing, prioritizing, tracking and following up on monitoring findings; and
	(v) Increase communication to beneficiaries and partners on the CFM hotline.

Complaints and feedback mechanisms: The level of calls logged on a monthly basis was low, and it was noted that there was limited awareness of the hotline by beneficiaries, and also by one of the main CPs. The hotline system was partially functioning with audit test calls going unanswered. Unexplained gaps in data were observed from April to September and from November to December 2018.

Due date: 30 September 2019

<u>Underlying causes</u>: Lack of staff capacity (the head of M&E is also the budget and programming officer). Lack of coordination with other units involved in M&E initiatives. Funding constraints leading to no budget allocation for monitoring travel. Lack of dedicated staff to handle CFM activities (the hotline phone is maintained by a staff member who has other duties). Limited dissemination and display of CFM information to beneficiaries and CPs. Lack of comprehensive SOPs.

Observation 6	**Agreed Actions** [Medium priority]

Cash-based transfers

CBT assistance was implemented starting August 2018 in response to an emergency flooding crisis. Following initial coordination with the National Disaster Management Agency and the UN emergency group, mobile money transfer was selected as the main preferred modality, with a smaller portion of food assistance for affected populations in rural areas.

The CO will:

Program design and choice of modality: The initial planned schedule of two months duration for the flooding emergency response did not take into account contextual challenges to deploy the cash component of the emergency assistance. Unlike food assistance which was delivered promptly, there were significant delays associated with cash transfers due to inefficiencies in the process of registration and verification of beneficiary phone numbers. It took until January 2019 for the CO to complete the transfer of CBT assistance.

(i)   Carry out, with support from RBD and OSZIC as necessary, assessments to facilitate determination of the most appropriate modality or combination of CBT modalities for the Liberia operational context. This will include consideration of emergencies where, if there is no preparedness and no CBT structures in place ahead of an emergency, the e-wallet modality may not be the right choice considering the required controls and checks;

Procedures required prior to the implementation of any new CBT intervention were not fully carried out nor documented. In particular:

- A strategy paper on the choice of appropriate transfer modality and mechanisms to evaluate cost-efficiency and effectiveness were not prepared.
- Essential CBT assessments were not carried out including a micro-assessment of financial service providers (FSPs), a security assessment, and continuous monitoring of protection issues.
- SOPs did not define all key aspects of the CBT delivery cycle, such as responsibilities to be followed for specific incidents, payment instructions, post-cycle reconciliations and oversight.

(ii)   Perform due diligence on FSPs and revise the contracts in place to ensure they include required clauses before the award of any future contracts;

(iii)   In consultation with corporate CBT functions negotiate with FSPs to provide data at aggregated and individual account levels sufficient to enable implementation of a thorough reconciliation process; and

(iv)   Carry out all necessary CBT assessments prior to the implementation of any new CBT mechanism.

Contracting of FSPs: Two FSPs were contracted through waived competition. Documentation clearly defining specifications for the CBT emergency response was missing, and there was no evidence of any due diligence performed before contracting. Deviations from WFP standard contracts were noted for one of the service providers; and standard clauses on UN immunity and fraud and corruption were not included in the contract.

Due date: 30 September 2019

Reconciliation and monitoring: Reconciliations to detect dormant mobile wallets were not performed after each monthly transfer. Post-distribution monitoring was ongoing at the time of the audit mission to ensure actual delivery of the cash assistance and measure the impact of the response.

<u>Underlying causes</u>: Lack of staff capacity in the implementation of CBT. Lack of compliance with corporate guidance. Data sharing for reconciliation purposes not fully agreed with FSPs.

C: Resource management

The audit focused on resource mobilization, budget management, and on the adequacy of human resources to support the CO's activities, especially following the 2018 SSR exercise.

Following the Ebola crisis and the withdrawal of UNMIL from Liberia in early 2018, the needs of the country shifted from humanitarian to development assistance. However, this shift has not attracted donor interest commensurate with the needs in the country; as such resource mobilization has increasingly become a challenge for the CO over the last two years, and at the time of the audit the CO was funded only at 38 percent of its T-ICSP requirements. This low level of funding has had a pervasive negative effect on the implementation of robust systems of internal control, as noted throughout this report. During 2018 some 54 percent of the contributions for programme activities and direct operating costs were funded from within WFP via discretionary multilateral funding sources.

The CO is planned to transition to a CSP as from 1 July 2019 which requires funding of USD 50 million for the period 2019-2023. Successful CSP implementation may be hampered by the continued low funding trend, if not reversed through resource mobilization efforts and restored quality of implementation.

Observation 7	**Agreed Actions** [High priority]

Resource mobilization

Strategy and action plan: A resource mobilization strategy had not been developed by the CO as required by and to align with the CSP. In place an action plan was prepared in August 2018, yet without defined targets, priorities, timelines, and deadlines for effective implementation. There had not been a status review of the action plan, nor had the CO conducted quarterly reviews as per corporate stipulation No outcomes had been defined for any of the action points.

Resource mobilization focus: Throughout the audit period resource mobilization activities were mostly geared towards school feeding and specifically towards the HGSF programme, one outcome out of the six included in the T-ICSP. Minimal attention was given to the other five outcomes individually.

Funding proposals: During the audit period 23 letters were sent to donors regarding the HGSF programme. These letters did not provide a level of detail sufficient to constitute a funding proposal for donors to explicitly gauge the level of funding being requested from them. An analysis of the likelihood of funding from these donors was not performed by the CO, which contributed to the limited responses received. No funding directly attributable to the letters had been received at the time of the audit.

Donor relations staffing: Despite resource mobilization being a priority area for the CO, the donor relations officer position was vacant for 6 months during the audit period and for the whole of 2017. A donor relations officer started in early 2019.

Underlying cause: Irregular presence of dedicated staff for continued resource mobilization activities. CO Partnership Officer was sent on temporary assignment to Nigeria in June 2016 and did not return until a replacement was recruited in April 2018. Shift in donor priorities in Liberia. Lack of knowledge and information management systems to process, preserve and leverage information. Lack of consistent funding for the position of the donor relations officer.

The CO will:

(i) Develop a donor mobilization strategy with an accompanying comprehensive work plan;

(ii) Expand resource mobilization activities to include all outcomes in the CSP; and

(iii) Update the input of donor and funding opportunity information into WFP's resource mobilization system, and establish procedures and guidelines to provide consistency and continuity to donor relations, the resource mobilization function and information management processes.

Due date: 31 December 2019

Observation 8	Agreed Actions [High priority]

Budget monitoring

During and before the audit period the CO had experienced periods of insufficient funding leading to the cessation of its activities. As from February 2018, on-site school feeding activities were stopped. To address the situation the CO was advised by RBD and WFP headquarters in March 2018 to undertake drastic cost-cutting measures, including a staffing structure review (see observation 1). In addition to these cost-cutting measures, and in order to resume activities and cover office running costs, the CO had to apply to WFP headquarters for discretionary multilateral funding to cover its deficit. During the audit period the CO received over 50 percent of its funding from such discretionary multilateral sources.

The audit noted the following issues in the course of reviewing reasons for the CO's deficit position:

- The CO's budget planning for 2017 and 2018 used high forecast levels for grant funding, which had not been confirmed by donors, and which did not have any indication of being highly probable. Some of the grants used in forecasts had actually expired between 2016 and 2017.
- Indications of the impending deficit were provided in budget and finance reports to CO management as early as September 2017. Timely action was not evident. As noted above, significant cost-cutting measures did not take place until requested by RBD and WFP headquarters in March 2018.

Underlying causes: Utilization of unrealistic forecasts in budget planning, and ineffective corporate oversight to identify these. Delayed management action at both CO and regional bureau levels in response to budget and finance reports.

The CO will:

(i) Review planning information utilised for budgeting and forecasting to ensure it is realistic and reflects probable funding; and

(ii) Implement timely action in response to information provided in finance, budget and programming reports.

Due date: 31 December 2019

D: Support functions

> The audit focused on risks relating to procurement, transportation, commodity management, monitoring of commodities in the custody of CPs, food quality and safety, and CBT during the 2018 flooding emergency response. The audit also evaluated the CO's capacity to assess and address access constraints and the distribution of commodities at food distribution points.
>
> Beyond the CO's funding constraints and limitations imposed by access restrictions, the audit observed that the supply chain function lacked adequate staff capacity affecting the CO's ability to deliver.

Observation 9	Agreed Actions [High priority]
Supply chain management	The CO will:

Supply chain management

Procurement planning: During the audit period procurement planning was not carried out to aggregate all CO requirements in order to maximise economies of scale in sourcing, minimise transactional costs, and ensure efficient use of resources. A comprehensive market analysis was not carried out to update the vendor roster and to gather market intelligence.

Vendor rosters: The vendor roster in use dated from 2015 and had not been updated since it was established. During the period under review an expression of interest process was launched with the aim of updating the vendor roster, however the process was not finalized. The audit noted that new vendors were often added to the vendor roster based on recommendations from various units in the CO without being reviewed or approved by the Purchase and Contracting Committee, and with a lack of documented due diligence.

SOPs and guidance: At the time of the audit the CO did not have an SOP for the procurement of non-food items. The food procurement SOP had not been updated since 2016 to include procurement planning, market research, due diligence and procurement of food from smallholder farmers, in line with the updated corporate food procurement manual, especially in the Liberia operational context.

Transporter contracting: The last formal update to the comprehensive Logistics Capacity Assessment (LCA) was in 2015. At the time of the audit there was no up-to-date LCA incorporating the contextual changes to Liberia post the Ebola crisis. For a transporters expression of interest floated during the audit period, a market assessment was not carried out prior to the exercise to gather intelligence to inform the evaluation process. There were instances noted of transporters who had not responded to the annual expression of interest being added to the transport roster nonetheless.

CP commodity and warehouse management: Due diligence assessments of school feeding CPs' warehousing facilities were not carried out before contracting, and there were gaps in the CO's coverage and frequency of physical inventory counts and monitoring of CP warehouse facilities. The audit noted during visits to CP warehouses inadequate commodity handling facilities and limited environmental controls in place. Commodity losses at CP warehouses had occurred frequently, with no CO analysis of the causes. The CO last carried out training of CPs on warehousing practices in 2012.

<u>Underlying causes</u>: Lack of resources, staff capacity and understaffing of the supply chain unit. Funding constraints hindering the CO's capacity-building initiatives.

The CO will:

(i)   Carry out a procurement market analysis, and develop a procurement plan;

(ii)   Update the current vendor roster according to corporate guidelines;

(iii)   Update procurement SOPs;

(iv)   Update the LCA in consultation with the Supply Chain Division in HQ and the RBD logistics function;

(v)   Incorporate warehouse assessments in the due diligence of CPs, and develop a process to carry out spot checks on CP warehouse conditions and to conduct stock count verifications; and

(vi)   Identify, in consultation with the Supply Chain Division in HQ and the RBD logistics function, solutions to track commodities during the last-mile.

Due date: 30 June 2019

Observation 10	Agreed Actions [Medium priority]

Food safety and quality

Contracting of inspection company and capacity strengthening: The CO had a contract in place with a company to carry out food safety and quality (FSQ) inspections/surveys. The contract covered inspection of milled rice and beans from farmer organizations, and imported rice, vegetable oil and salt from local importers. Since the scope of the contract was only limited to a predefined set of food commodities, inspection of other food commodities procured by the CO (for example peas and bulgur wheat) fell outside of contractual terms and was not covered. The scope of the contract also did not include inspections/spot checks of food procured directly by schools under the HGSF programme, and there were limited mitigation measures in place to address the risk of unsafe and poor quality food. The laboratory used by the contracted inspection company had not been internationally certified and had only limited capacity to perform the minimum tests required.

The CO last carried out FSQ training of all stakeholders in 2015; there was a substantial need for capacity strengthening of all stakeholders to improve the level of FSQ awareness and implementation.

School feeding activities: Clauses on the FSQ responsibilities and requirements of CPs such as the Ministry of Education were not included in agreements, and the CO had not defined guidelines and standards for hygiene and handling of food for school feeding programmes. Spot checks or inspections of school facilities and kitchens to determine their compliance with FSQ standards were not carried out by the CO and had been delegated to the Ministry of Education and to the schools implementing the programmes; this posed a potential conflict of interest and reduced the CO's visibility over FSQ-related issues.

The CO had no incident management system to track all noted incidents and there were no documented protocols for recalls.

<u>Underlying causes</u>: Lack of SOPs for FSQ. Fragmented corporate guidance on FSQ processes. Funding constraints hindering the CO's capacity building initiatives. Lack of resources, staff capacity and understaffing of the supply chain unit.

The CO will:

(i) Review the contractual terms with the inspection company to cover all identified gaps, and update the agreements in place with CPs to include applicable FSQ clauses;

(ii) Develop SOPs and guidelines for FSQ processes, defining roles and responsibilities for all stakeholders;

(iii) Implement an incident tracking system and incorporate FSQ inspections in the monitoring cycle; and

(iv) Plan for FSQ capacity-strengthening initiatives with stakeholders.

Due date: 31 August 2019

E: External relations, partnerships and advocacy

The audit identified risks associated with the limited or insufficient capacity of partners in the country and focused on the CO's efforts to build capacity of partners in order to achieve effective implementation of programmes; this was also one of the outcomes of the T-ICSP and the planned CSP.

The Government developed the Pro-Poor Development Agenda, with one of the priorities being the establishment of the national school feeding programme. The CO implemented the school feeding programme with the Ministry of Education, and indicated in various documents the objective to strengthen the capacity of the Government to take over school feeding.

Observation 11	Agreed Actions [High priority]
Partnerships and capacity development	The CO will:
Capacity development planning: The CO acknowledged that the limited capacity of partners had a direct link with the quality of outcomes of their activities, and highlighted this in the RR as a high risk. A number of training activities were undertaken with government ministries and other implementing partners; however a systematic assessment of capacity gaps and development of a budgeted capacity development plan had not been carried out.	(i) Perform an assessment of capacity gaps of key partners and develop a budgeted capacity development plan;
This is especially critical for the school feeding programme, where the objective is to hand over to the Government. The programme is well aligned to the national policy framework and with key WFP policies and strategies but a clear capacity development strategy and transition plan for programme handover were not in place.	(ii) Determine and allocate necessary resources for the implementation of capacity development plans for CBOs before the scale-up of HGSF; and
Implementation of capacity development plan: A capacity assessment was performed as part of the initial evaluation of the CBOs working with schools for the HGSF. As a result a capacity development plan was prepared for the CBOs, however it has not been consistently tracked and implemented. Audit visits to two schools noted that CBOs had limited financial management skills to assist in record keeping, reporting and reconciliations.	(iii) Develop a clear capacity development strategy to support the handover of the school feeding programme to the Government.
<u>Underlying causes</u>: Lack of a capacity development strategy for all implementing partners. Limited staff to track the implementation of CBO capacity development plans.	Due date: 31 December 2019

Annex A – Summary of observations

The following table shows the categorization, ownership and due date agreed with the auditee for all the audit observations raised during the audit. This data is used for macro analysis of audit findings and monitoring the implementation of agreed actions.

High priority observations	Categories for aggregation and analysis			Implementation lead	Due date
	WFP's Internal Control Framework	WFP's Enterprise Risk Management Framework	WFP's Internal Audit Universe		
1 Organizational structure and workforce planning	Control Enviroment	Governance and oversight	Governance	Liberia CO	31 December 2019
2 Management oversight	Control Enviroment	Governance and oversight	Management oversight	Liberia CO	31 August 2019
4 Programme delivery and beneficiary management	Control Activities	Programme	Activity/project management	Liberia CO	30 September 2019
5 In-country programme monitoring and feedback management	Monitoring Activities	Programme	Monitoring & evaluation	Liberia CO	30 September 2019
7 Resource mobilization	Control Activities	Contextual	Fundraising strategy	Liberia CO	31 December 2019
8 Budget monitoring	Control Activities	Contextual	Budget management	Liberia CO	31 December 2019
9 Supply chain management	Control Activities	Contextual	Procurement - goods & services	Liberia CO	30 June 2019
11 Partnerships and capacity development	Control Activities	Partners and vendors	NGO partnerships	Liberia CO	31 December 2019

| Medium priority observations | Categories for aggregation and analysis | | | Implementation lead | Due date |
	WFP's Internal Control Framework	WFP's Enterprise Risk Management Framework	WFP's Internal Audit Universe		
3 Risk management and emergency preparedness	Control Enviroment	Governance and oversight	Risk management	Liberia CO	31 October 2019
6 Cash-based transfers	Control Activities	Programme	CBT	Liberia CO	30 September 2019
10 Food safety and quality	Control Activities	Contextual	Food quality and safety	Liberia CO	31 August 2019

Annex B – Definitions of audit terms: ratings & priority

1   Rating system

1.   The internal audit services of the United Nations Development Programme (UNDP), the United Nations Population Fund (UNFPA), the United Nations Children's Fund (UNICEF), the United Nations Office for Project Services (UNOPS) and WFP adopted harmonized audit rating definitions, as described below:

Table B.1: Rating system

Rating	Definition
Effective / Satisfactory	The assessed governance arrangements, risk management and controls were adequately established and functioning well to provide reasonable assurance that issues identified by the audit were unlikely to affect the achievement of the objectives of the audited entity/area.
Partially satisfactory / Some improvement needed	The assessed governance arrangements, risk management and controls were generally established and functioning well, but needed improvement to provide reasonable assurance that the objective of the audited entity/area should be achieved. Issue(s) identified by the audit were unlikely to significantly affect the achievement of the objectives of the audited entity/area. Management action is recommended to ensure that identified risks are adequately mitigated.
Partially satisfactory / Major improvement needed	The assessed governance arrangements, risk management and controls were generally established and functioning, but need major improvement to provide reasonable assurance that the objectives of the audited entity/area should be achieved. Issues identified by the audit could negatively affect the achievement of the objectives of the audited entity/area. Prompt management action is required to ensure that identified risks are adequately mitigated.
Ineffective / Unsatisfactory	The assessed governance arrangements, risk management and controls were not adequately established and not functioning well to provide reasonable assurance that the objectives of the audited entity/area should be achieved. Issues identified by the audit could seriously compromise the achievement of the objectives of the audited entity/area. Urgent management action is required to ensure that the identified risks are adequately mitigated.

2   Categorization of audit observations and priority of agreed actions

2.1   Priority

2.   Audit observations are categorized according to the priority of the agreed actions, which serves as a guide to management in addressing the issues in a timely manner. The following categories of priorities are used:

Table B.2: Priority of agreed actions

High	Prompt action is required to ensure that WFP is not exposed to high/pervasive risks; failure to take action could result in critical or major consequences for the organization or for the audited entity/area.
Medium	Action is required to ensure that WFP is not exposed to significant risks; failure to take action could result in adverse consequences for the audited entity.
Low	Action is recommended and should result in more effective governance arrangements, risk management or controls, incl. better value for money.

3.   Low priority recommendations, if any, are dealt with by the audit team directly with management. Therefore, low priority actions are not included in this report.

4. Typically audit observations can be viewed on two levels: (1) observations that are specific to an office, unit or division; and (2) observations that may relate to a broader policy, process or corporate decision and may have broad impact.[3]

5. To facilitate analysis and aggregation, observations are mapped to different categories:

2.2 Categorization by WFP's Internal Control Framework (ICF)

6. WFP's ICF follows principles from the Committee of Sponsoring Organizations of the Treadway Commission's (COSO) Integrated Internal Control Framework, adapted to meet WFP's operational environment and structure. WFP defines internal control as: "a process, effected by WFP's Executive Board, management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting, compliance."[4] WFP recognises five interrelated components (ICF components) of internal control, all of which need to be in place and integrated for them to be effective across the above three areas of internal control objectives.

Table B.3: Interrelated Components of Internal Control recognized by WFP

1	Control Environment	The control environment sets the tone of the organization and shapes personnel's understanding of internal control
2	Risk Assessment	Identifies and analysis risks to the achievement of WFP's objectives through a dynamic and iterative process.
3	Control Activities	Ensure that necessary actions are taken to address risks to the achievement of WFP's objectives.
4	Information and Communication	Allows pertinent information on WFP's activities to be identified, captured and communicated in a form and timeframe that enables people to carry out their internal control responsibilities.
5	Monitoring Activities	Enable internal control systems to be monitored to assess the systems' performance over time and to ensure that internal control continues to operate effectively.

2.3 Categorization by WFP's Enterprise Risk Management (ERM) framework

7. WFP has developed a risk categorization framework to assist management at all levels as well as to improve risk analysis. The framework enables offices and operations to identify risks using a common language across WFP. Risks are classified into four primary categories: strategic, operational, fiduciary and financial. Reputational risk is defined as a consequential risk whereby risks occurring in any category could have a negative impact on WFP's reputation. Within these four categories, 15 risk areas covering the scope of WFP's enterprise risk management have been defined.

Table B.4: WFP's new risk categorization recognizes 4 risk categories and 15 types of risk

1	Strategic	1.1 Programme risks, 1.2 External Relationship risks, 1.3 Contextual risks, 1.4 Failure to innovate/adjust business model
2	Operational	2.1 Beneficiary health, safety & security risks, 2.2 Staff health, safety & security risks, 2.3 Partner & vendor risks, 2.4 Asset risks, 2.5 ICT failure/disruption/attack, 2.6 Business process risks, 2.7 Governance & oversight breakdown
3	Fiduciary	3.1 Breach of obligations, 3.2 Fraud & corruption
4	Financial	4.1 Adverse price/cost change, 4.2 Adverse asset outcome

2.4 Categorization by WFP's Audit Universe

8. WFP's audit universe[5] covers organizational entities and processes. Mapping audit observations to themes and process areas of WFP's audit universe helps prioritise thematic audits.

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[3] An audit observation of high risk to the audited entity may be of low risk to WFP as a whole; conversely, an observation of critical importance to WFP may have a low impact on a specific entity, but have a high impact globally.
[4] OED 2015/016 para.7
[5] A separate universe exists for information technology with 60 entities, processes and applications.

Table B.5: WFP's 2018 Audit Universe (themes & process areas)

A	Governance	Change, reform and innovation; Governance; Integrity and ethics; Legal support and advice; Management oversight; Performance management; Risk management; Strategic management and objective setting.
B	Delivery	(Agricultural) Market support; Analysis, assessment and monitoring activities; Asset creation & livelihood support; Climate and disaster risk reduction; Emergencies and transitions; Emergency preparedness and support response; Malnutrition prevention; Nutrition treatment; School meals; Service provision and platform activities; Social protection and safety nets; South-south and triangular cooperation; Technical assistance & country capacity strengthening services.
C	Resource Management	Asset management; Budget management; Contributions and donor funding management; Facilities management and services; Financial management; Fundraising strategy; Human resources management; Payroll management; Protocol management; Resources allocation and financing; Staff wellness; Travel management; Treasury management.
D	Support Functions	Beneficiary management; CBT; Commodity management; Common services; Constructions; Food quality and standards management; Insurance; Operational risk; Overseas and landside transport; Procurement – Food; Procurement - Goods and services; Security and continuation of operations; Shipping - sea transport; Warehouse management.
E	External Relations, Partnerships & Advocacy	Board and external relations management, Cluster management, Communications & advocacy, Host government relations, Inter-agency coordination, Non-Governmental Organization (NGO) partner-ships, Private sector (donor) relations, Public sector (donor) relations.
F	ICT	Information technology governance and strategic planning; IT Enterprise Architecture; Selection/development and implementation of IT projects; Cybersecurity; Security administration/controls over core application systems; Network and communication infrastructures; Non-expendable ICT assets; IT support services; IT disaster recovery; Support for Business Continuity Management.
G	Cross-cutting	Activity/project management, Knowledge and information management, Monitoring & Evaluation (M&E) framework, Gender, Protection, Environmental management.

3   Monitoring the implementation of agreed actions

9.   The Office of Internal Audit tracks all medium and high-risk observations. Implementation of agreed actions is verified through the Office of Internal Audit's system for the monitoring of the implementation of agreed actions. The purpose of this monitoring system is to ensure management actions are effectively implemented within the agreed timeframe to manage and mitigate the associated risks identified, thereby contributing to the improvement of WFP's operations.

Annex C – Acronyms

APP	Annual Performance Plan
BCP	Business Continuity Plan
CBT	Cash-based Transfers
CFM	Complaints and Feedback Mechanism
CO	Country office
COMET	Country Office Tool for Managing (programme operations) Effectively
CP	Cooperating partner
EPRP	Emergency Preparedness and Response Package
FLA	Field Level Agreement
GDP	Gross Domestic Product
HQ	Headquarters
HR	Human Resources
ICSP	Interim Country Strategic Plan
LESS	Logistics Execution Support System
MT	Metric Tonne
MoU	Memorandum of Understanding
PSEA	Protection Against Sexual Exploitation and Abuse
RBD	Regional Bureau Dakar
RR	Country Office Risk Register
SSR	Staffing and structure review
UNCT	United Nations Country Team
UNDAF	United Nations Development Assistance Framework
UNMIL	UN Peacekeeping Mission in Liberia
USD	United States Dollar
VAM	Vulnerability Analysis and Mapping
WFP	World Food Programme