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Internal Audit of WFP Operations in the Democratic Republic of the Congo

Office of the Inspector General
Internal Audit Report AR/23/05



World Food
Programme

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I. Executive summary

WFP Democratic Republic of the Congo Country Office

1. As part of its annual workplan, the Office of Internal Audit conducted an audit of WFP operations in the Democratic Republic of the Congo which focused on beneficiary management, cash-based transfers, supply chain and monitoring; plus, a tailored review of the management of non-governmental organizations, governance, and risk management. The audit covered the period from 1 June 2021 to 31 August 2022.
2. With four strategic outcomes, the 2021–2024 Country Strategic Plan positions WFP in the Democratic Republic of the Congo as a key humanitarian contributor in achieving food and nutrition security, through key shifts that include a commitment to translating the triple-nexus approach into stronger partnerships that support peace and development outcomes.
3. The latest budget for the country strategic plan was USD 2.19 billion as per the revision approved in November 2022. Over the audit period, WFP expenses amounted to approximately USD 250 million, and the country office reached more than six million beneficiaries. The audit focused on strategic outcome 1: *Conflict and crisis-affected men, women, boys, and girls from all ethnic groups are able to meet their food and nutrition requirements throughout the year.*
4. The audit reviewed the following three activities, under strategic outcome 1 which accounted for 82 percent of the total expenses during the audit period:
 - (i) *Provide gender-equitable and nutrition-sensitive essential needs assistance to conflict- and crisis-affected populations through direct assistance and enhanced inter-agency coordination.*
 - (ii) *Treat moderate acute malnutrition among conflict- and crisis-affected populations.*
 - (iii) *Prevent acute malnutrition among conflict- and crisis-affected populations.*

Audit conclusions and key results

5. Based on the results of the audit, the Office of Internal Audit reached an overall conclusion of **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.

Context and cross-cutting matters

6. WFP in the Democratic Republic of the Congo face significant threats, including persistent conflicts, mass displacements, logistical and access challenges, human resource shortage, fraud, and sexual exploitation and abuse. Despite these challenges, WFP continued to be a key humanitarian contributor. Stakeholders met during the audit fieldwork all recognized WFP as a partner of choice, valuing its different programmes including the resilience activities that aim to reduce humanitarian needs, risks and vulnerabilities while addressing underlying causes of crises and underdevelopment.
7. The country office is currently working on projects for the inclusion of persons with disabilities and a gender parity strategy to continue to promote a more diverse, inclusive, gender balance in the office. The protection team increased to five international officers and 35 focal points to ensure that affected populations benefit from WFP programmes in a manner that ensures and promotes their safety, dignity, and integrity.
8. The audit also acknowledges the structural issues, funding constraints and operational challenges which continue to hinder the country office's ability to effectively implement adequate governance, risk management processes and controls. The country office has worked extensively to implement corrective actions to mitigate identified risks, and to support ongoing efforts. At the time of the audit fieldwork, the country office was in the process of addressing several internal control gaps and operational risks that could adversely impact WFP



operations, particularly in the areas of risk management, including fraud risks, food safety and quality; protection of beneficiaries; and donor engagement. These areas for improvement were identified through eight regional bureau oversight missions (2019 to 2022), one internal audit (2020), one external audit (2021) and a major donor's review that required the country office to promptly address internal control gaps.

9. This audit recommends to: (i) reinforce oversight and risk management activities; (ii) better assess the risks associated with transfer modality selection, non-governmental organizations and financial service providers to inform stronger decision making; (iii) reinforce staffing capacity by conducting workforce and skills gaps analyses; and (iv) develop a mechanism to systematically prioritize, monitor, follow up and close oversight recommendations.

Cash-based transfer modality

10. Following the 2020 internal audit, the country office biometrically registered all beneficiaries receiving cash in the WFP beneficiary information and transfer management platform and formalized automated deduplication procedures. The country office also established a digital data working group to ensure a coordinated approach to cash-based transfer beneficiary data governance and data-driven decision making.

11. Inadequate governance mechanisms, lack of staff capacity, and the absence of multisectoral and market assessments also impacted the effectiveness of the design, delivery and reconciliation processes related to cash-based transfers; these should be remedied. So are gaps found in the management of cash-based transfer payment instruments and contracting with financial service providers.

In-kind modality

12. In the absence of full biometric registration to enable exhaustive verification and deduplication of all in-kind beneficiary identities, the country office continued to use spreadsheet-based beneficiary lists with no biographic information on household members. This approach limited the country office's ability to conduct manual deduplication and verification procedures, making the process vulnerable to fraud risks and diversion of humanitarian aid. Country office management also needs to mitigate persisting risks in beneficiary registration by expanding the collection of household member information; implementing interim measures to strengthen beneficiary information management controls; carrying out a privacy impact assessment; and developing an implementation plan for the WFP beneficiary management system.

Non-governmental organizations

13. Exposure to non-governmental organizations' operational risks remained largely unmitigated as programme implementation, monitoring and performance management processes did not adhere to corporate standards, particularly for oversight activities. There was no risk-based oversight and assurance mechanism with designed spot checks to verify progress on implementation of agreed activities or results reported to WFP.

14. Other issues were noted in logistics, monitoring commodity management, procurement planning and contract management, which could collectively jeopardize the country office's objectives.

Actions agreed

15. The audit report contains three high-priority and seven medium-priority agreed actions. Management has agreed to address the reported observations and to work to implement the agreed actions by their respective due dates.

THANK YOU!

16. The Office of Internal Audit would like to thank managers and staff for their assistance and cooperation during the audit.



II. Country context and audit scope

Democratic Republic of the Congo

17. The Democratic Republic of the Congo is the largest country in Sub-Saharan Africa and the fourth most populous country in Africa (108 million persons). Widespread and continuous conflicts, poverty, food insecurity, malnutrition, poor access to public services, socio-political instability, gender inequality and climate crises continue to affect the well-being and livelihoods of people in the country.

18. Endemic poverty contributes to the extremely high levels of food insecurity. The December 2022 Integrated Food Security Phase Classification (IPC)¹ analysis estimated that 26.4 million people – 26 percent of those assessed – faced "crisis" (IPC Phase three) or "emergency" (IPC Phase four) food insecurity.

19. The Democratic Republic of the Congo has a low level of development, ranking 179 of 191 countries on the UNDP Human Development Index.² Fraud risk is inherently high, with the country ranking 169 of 180 countries in the 2021 Transparency International Corruption Perception Index,³ impacting the context in which the country office delivers its operations.

20. The security situation remained fragile during the period under audit, and violence in eastern Democratic Republic of the Congo led to population displacements, increased humanitarian needs and disrupted humanitarian operations across the country. Armed groups are also present and inter-communal violence can affect the political, security and humanitarian situation in the country at any time.

WFP operations in the Democratic Republic of the Congo

21. WFP's assistance in 2021 and 2022 was delivered mostly through strategic outcome 1 of the 2021–2024 Country Strategic Plan and consisted of: unconditional resource transfers; integrated interventions for the treatment and prevention of moderate acute malnutrition; and school feeding for children traumatized by conflict and other shocks.

22. The security situation worsened in 2022 and the country has witnessed an increase in armed conflict in the east, resulting in recurrent displacements, increased humanitarian access challenges and, subsequently, worsening levels of food insecurity and threats to durable solutions.

23. In November 2022, the country office approved an increase in the 2021–2024 Country Strategic Plan budget from USD 1.6 to USD 2.2 billion, to adjust to operational requirements and respond to growing needs due to the increasing crisis across the country.

24. The country strategic plan target for assisted beneficiaries increased from 18 million to 22 million.

Objective and scope of the audit

25. The objective of the audit was to provide assurance on the effectiveness of internal controls, governance and risk management processes related to WFP operations in the Democratic Republic of the Congo. Such audits contribute to an annual and overall assurance statement to the Executive Director on governance, risk management and internal control.

26. The audit focused on activities #1, #2 and #3 under strategic outcome 1, *Conflict and crisis-affected men, women, boys, and girls from all ethnic groups are able to meet their food and nutrition requirements throughout the year*, which accounted for 83 percent of the country office's total expenditure and 92 percent of the beneficiary caseload in 2021 and 2022.

¹ IPC is an international standard for classifying food insecurity and malnutrition – [IPC Global Platform \(ipcinfo.org\)](https://www.ipcinfo.org/)

² [Specific country data | Human Development Reports \(undp.org\)](https://data.un.org/Data.aspx?ds=HDI&f=Country%20Name%3A%20Congo)

³ [2021 Corruption Perceptions Index - Transparency.org](https://www.transparency.org/en/cpi)

- *Activity 1 – Provide gender-equitable and nutrition-sensitive essential needs assistance to conflict- and crisis-affected populations through direct assistance and enhanced inter-agency coordination.*
- *Activity 2 – Treat moderate acute malnutrition among conflict- and crisis-affected populations.*
- *Activity 3 – Prevent acute malnutrition among conflict- and crisis-affected populations.*

27. In 2021, the Office of Internal Audit developed a focused audit approach to adapt to COVID-19 constraints, while maintaining its audit coverage of country operations and providing assurance on five key areas of the end-to-end country office delivery process, as detailed in Figure 1 below.

Figure 1: Areas covered by the 2021 audit approach



28. The internal audit of the Democratic Republic of the Congo builds on this 2021 approach, complementing it with a risk-based audit methodology to determine the priority focus areas. As a result, the six areas in scope for the audit include: (i) governance; (ii) beneficiary management; (iii) cash-based transfers (CBT); (iv) monitoring; (v) non-government organization management; and (vi) supply chain, including procurement, logistics, and food safety and quality.

29. The audit mission took place from 21 November to 14 December 2022 at the country office in Kinshasa, including a visit to the Kananga field office.

30. Reliance was placed on other assurance work, where possible and relevant, to minimize duplication of efforts. The audit did not cover finance due to the 2021 external audit carried out by the French Cour des Comptes, at the time the External Auditor of WFP.⁴ Their review focused on finance, budget, and administration.

31. The review of security controls and management of humanitarian access was also excluded from the audit scope. At the time of the audit planning, with the assistance of headquarters units, the country office was in the process of establishing a security and humanitarian team with proper strategy, resources, and processes to manage constraints to humanitarian access while mitigating security risks to staff and partners within the different regions where WFP operates.

32. The audit was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing*.

⁴ External audit of the World Food Programme (French Cour des Comptes reference: WFP-2021-10) Financial year 2021.



III. Results of the audit

Audit work and conclusions

33. Each of the following sections correspond to the functional areas covered during the audit (described in paragraph 28). Ten observations arose from the audit relating to governance and risk management, beneficiary management, cash-based transfers, supply chain, non-governmental organization management and monitoring.

34. A simplified standard process diagram is included for several functional areas audited. These diagrams indicate the key control areas reviewed and, when exceptions or weaknesses were noted, the audit observations to which they relate and their respective priority rating (red for high and yellow for medium-priority observations). Any other issues arising from the audit that were assessed as low priority were discussed with the country office directly and are not reflected in the report.

Governance

Observation 1: Governance and risk management

Risk management and risk appetite

35. Given the country office's challenging context at times, risk practices were not aligned with WFP's corporate risk appetite statement.⁵

36. The country office had yet to define a specific risk appetite framework in line with the 2018 Enterprise Risk Management policy to guide operational decisions, ensuring alignment with WFP's risk tolerance for operations in the Democratic Republic of the Congo. Three donors consulted during the audit also expressed their interest in a defined risk appetite statement that would indicate the office's risk-taking approaches, risks boundaries and necessary mitigating actions.

37. With the scale of emergency needs requiring urgent delivery of assistance, combined with a de facto high-risk appetite, the country office was unable to adequately mitigate its risk exposure through appropriate oversight. Some of the risks accepted included the inability to register all in-kind beneficiaries in SCOPE; re-contracting of national partners/vendors not meeting established selection criteria; lack of capacity to perform comprehensive cash-based transfer reconciliations at the beneficiary level (see [Observation 5](#)); and lack of resources to cover and monitor 100 percent of all 10,827 distribution sites.

Staffing and structure

38. The country office faced similar challenges to some other WFP emergency operations in attracting qualified personnel, including international professionals. Significant staff rotation was noted at sub-office levels, with key positions remaining vacant for extended periods. Although the country office completed an organizational realignment exercise in 2021 and staffing levels increased, the office still suffers from chronic staffing and structural challenges, which impact its operations.

39. With the office's evolving portfolio of activities, there is a need for a human resource strategy to examine the change in level of resources required, and the necessary operational model to accompany these structural changes. At the time of the audit fieldwork, no skills gap analysis had been conducted to inform a capacity-strengthening plan.

⁵ WFP risk appetite statements https://executiveboard.wfp.org/document_download/WFP-0000099395



Management oversight

40. Oversight activities were performed on various processes without a systematic consolidation, tracking and monitoring mechanism to establish the effectiveness of recommendations and their timely implementation. Roles and responsibilities for following up on recommendations from reviews covering multiple areas were also unclear. At the time of the audit fieldwork, the country office was in the process of consolidating and addressing more than 150 recommendations on programme, human resources, finance, cash-based transfers, logistics and monitoring. Following several oversight missions in 2021 and 2022, food safety and quality was also identified as a critical area for improvement and key oversight recommendations had yet to be fully implemented at the time of the audit fieldwork.

41. Although the country office had established governance structures and processes to manage operational risks, there were limited oversight processes to maintain effective internal controls and continuously execute risk and control procedures. Examples include lack of reviews of WFP distribution reports; missing spot-checks of non-governmental organizations' expenditure; and no monitoring of contract clauses etc. This was also exacerbated by the nature of the country office's decentralized programme and support activities, which created inefficiency in planning activities and increased the risk of inappropriate oversight.

42. Following the audit fieldwork, the country office carried out a fraud risk assessment and drafted a risk appetite statement with the support of WFP corporate Risk Management Division. A risk management committee, which also includes all senior management staff, was set up with dedicated processes to track, monitor and prioritize oversight recommendations.

Underlying cause(s): Evolving country office risk management processes; absence of a periodic process to manage and monitor identified risks; historically decentralized business processes and workflows at sub-office levels; hardship duty station; corporate difficulties in attracting international professional candidates through corporate mechanisms; various non-conclusive re-assignments; limited funding and changing priorities impacting the 2021 organizational realignment propositions; absence of a consolidated mechanism to prioritize and follow up on oversight missions; and vacant risk position for an extended time in 2022.

Agreed Actions [Medium priority]

- 1) The country office will:
 - (i) Define a risk appetite statement (in line with the provisions of the Risk Management Division Policy) to help drive risk priorities and guide decision-making.
 - (ii) With the help of the corporate Risk Management Division, implement a fraud risk assessment.
 - (iii) Develop a human resource strategy and conduct (with the support of the Regional Bureau and headquarter units) a staffing review or a workforce planning exercise; and perform a skills gap analysis.
- 2) The country office will:
 - (i) Establish central and periodic management oversight processes to review critical programme and support activities.
 - (ii) Develop a mechanism to facilitate consolidation, tracking, monitoring and prioritization of oversight recommendations, including defining clear roles and responsibilities with accountabilities on the follow-up and closure process of oversight recommendations.

Timeline for implementation

- 1) 31 March 2024

Point (ii) of the agreed action had been implemented by the country office prior to the issuance of the audit report.

- 2) 31 December 2023

Point (ii) of the agreed action had been implemented by the country office prior to the issuance of the audit report.



Beneficiary management

43. Of the 6.1 million beneficiaries assisted in 2022, 3.8 million (62 percent) received general food assistance; 1.9 million (31 percent) were assisted under nutrition activities; while the remaining 0.4 million beneficiaries (7 percent) were assisted under school feeding, resilience and livelihood interventions.

44. The country office used a combination of standard SCOPE⁶ solutions and a set of spreadsheets to support its beneficiary management processes. SCOPE was mainly used for beneficiary management of cash assistance; the country office was in the process of expanding registration of in-kind beneficiaries in SCOPE for the next two years, subject to funding. In 2022, the country office aimed to register 15 percent of in-kind beneficiaries but achieved 12 percent by the end of the year.

45. Overall, key controls related to beneficiary targeting and prioritization were established and operating effectively (see details in Figure 2). In 2022, the country office implemented a series of actions to mitigate risks related to beneficiary management, including the operationalization of deduplication procedures in SCOPE for beneficiaries receiving cash. To augment the country office deduplication capacity, the regional bureau's Deduplication and Adjudication Centre assisted in resolving more than 33,000 duplicate identities in SCOPE and was extended to verify an additional 100,000 duplicate identities at the end of 2022.

46. The country office assessed its activities related to protection from sexual exploitation and abuse and developed an action plan to strengthen existing procedures and align with programmatic priorities.

47. Further, as noted in the last internal audit in 2020,⁷ the duration of WFP's general food assistance in every location was generally limited to 90 days (with monthly distribution every 30 days).⁸ Although the Country Strategic Plan 2021–2024 intends to adapt WFP's assistance on a seasonal basis to cover a longer duration (from three to six months), the assistance cycle period noted during the audit had marginally increased.

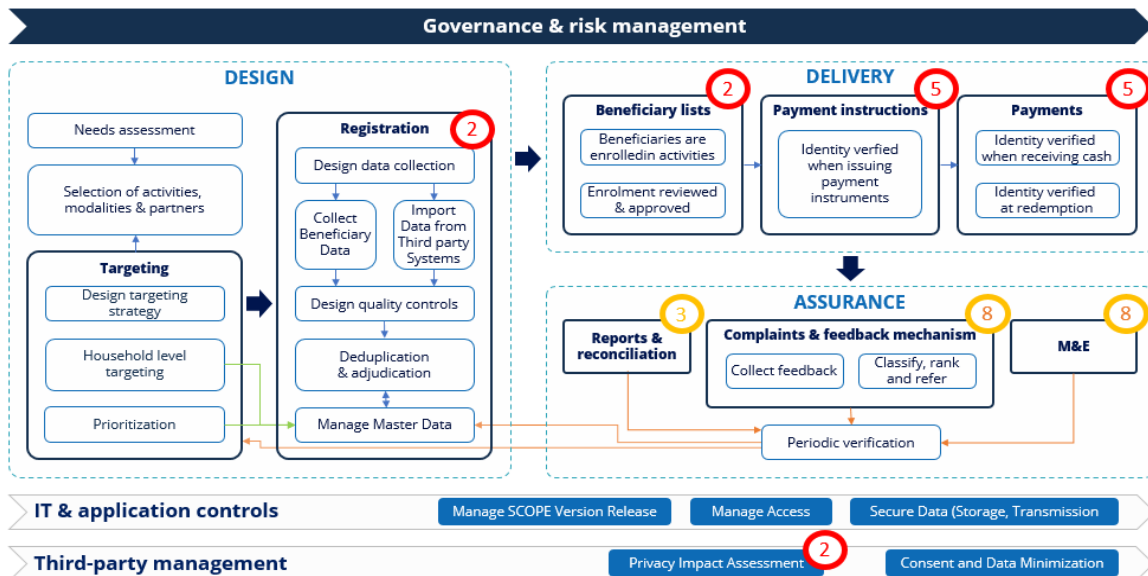
48. Following the audit fieldwork, the country office started planning corrective actions to mitigate identified beneficiary management risks, and to support ongoing efforts on digitalization and beneficiary registration risks.

⁶ SCOPE is WFP's digital beneficiary information and transfer management platform.

⁷ Internal Audit of WFP Operations in the Democratic Republic of the Congo, report AR/20/12 – [link](#)

⁸ This standardized approach, already in place for several years and agreed with humanitarian actors and donors, takes into consideration the high number of vulnerable populations spread across the country's vast geographic areas and allows for the rotation of assisted beneficiaries.

Figure 2: Simplified process diagram and related audit observations for beneficiary management



Numbers in the diagram represent the related audit observations and their respective priority rating (red represents high-priority observations and yellow represents medium-priority observations).

Observation 2: Beneficiary registration and the use of SCOPE for in-kind beneficiaries

In-kind beneficiary data collection and registration

49. Beneficiaries receiving food commodities were registered using spreadsheet-based lists and were identifiable at the household level with only the household head's name together with the total number of household members.⁹ This approach limited the country office's ability to carry out manual deduplication and validation procedures of household members and cross-verify household heads across wider zones and territories. Based on the total in-kind beneficiaries assisted in 2022, the audit estimated that at least 1.6 million household members had no biographic information, increasing the risk of duplications, especially for beneficiaries who know how to circumvent existing processes.

50. Spreadsheet-based deduplication processes are inherently prone to errors including inclusion and exclusion errors, manipulation and provide a lesser level of assurance than automated digital biometric or biographic comparisons. The effectiveness of spreadsheet-based deduplication was further challenged by the scale of operations in the Democratic Republic of the Congo and the use of multiple identification documents by beneficiaries.

51. Collecting beneficiary information (biographic and biometric) will enable WFP to conduct some degree of automated deduplication and provide assurance to stakeholders that assistance is given to the right individuals. In the interim, and for upcoming in-kind beneficiary registrations outside SCOPE, there is an opportunity to expand the country office's use of MoDa¹⁰ in collecting beneficiary data which can then be interfaced with SCOPE to conduct automated deduplication and further validation.

⁹ The names of household members were not collected, only sex and age group were collected.

¹⁰ WFP's data collection platform supporting evidence-based decisions.



Use of SCOPE and related dashboards

52. Given the substantial resources required for scaling up in-kind beneficiary registration in SCOPE, the country office had no SCOPE implementation plan with key indicators to systematically guide and implement related activities and to facilitate communication with stakeholders, especially donors. The plan should include: (i) eligibility criteria of beneficiaries for SCOPE registration, which may exclude beneficiaries receiving temporary or limited emergency assistance; (ii) an assessment of areas feasible for SCOPE registration and where WFP continues to assist the same communities over extended periods; (iii) assumptions and risks to project implementation; (iv) budget and resourcing; and (v) timeline and projected coverage.

53. The country office recently developed dashboards using data in SCOPE which analyse and present useful beneficiary information. There is an opportunity for the Programme unit to utilize this information for programmatic decisions, including triangulating available data with information coming from the monitoring dashboards.

Beneficiary data privacy

54. The country office had not carried out a privacy impact assessment for the use of beneficiary data for either cash-based transfers or in-kind activities as required by corporate guidance. As such, data protection and privacy risks related to the collection and utilization of beneficiary data had not been assessed. This observation was previously raised in the 2020 internal audit.¹¹

Underlying cause(s): Complex operational context covering vast geographic areas, some of which have access limitations; limited usefulness of beneficiary data collected, considering WFP's short assistance period; absence of a SCOPE implementation strategy for beneficiary registration.

Agreed Actions [High priority]

The country office will:

- (i) Develop an implementation plan for the digital registration of the remaining in-kind beneficiaries, detailing the following key elements to systematically guide and implement related project activities and facilitate communication with stakeholders: (a) eligibility criteria of beneficiaries for registration; (b) assessment of feasible areas for implementation; (c) assumptions and implementation risks; (d) budget and resourcing; and (e) timeline and coverage.
- (ii) Perform a cost-benefit analysis to inform the decision to collect relevant in-kind beneficiary information for household members during targeting.
- (iii) Develop and implement interim measures to strengthen beneficiary information management controls while the SCOPE registration scale-up for in-kind beneficiaries is being completed. These include: (a) establishing data quality checks for beneficiaries manually registered outside SCOPE, designed to detect anomalies including duplicates; and (b) managing the centralized beneficiary database and multiple lists of beneficiaries (considering encryption, access controls and regular reporting).
- (iv) Integrate and operationalize the use of the SCOPE dashboards in reviewing and tracking the results of beneficiary registration as well as the results of actual distributions.
- (v) Regarding privacy impact, carry out an assessment to strengthen existing processes and controls in managing beneficiary data.

Timeline for implementation

30 June 2024

¹¹ Internal Audit of WFP Operations in the Democratic Republic of the Congo, report AR/20/12 – [link](#)



Observation 3: Centralized tracking and reconciliation of assisted beneficiaries

55. There was no centralized tracking and structured reconciliation of implementation plans against distribution plans and actual post-distribution results. Based on the samples selected, multiple and rolling spreadsheets were used as implementation plans, with beneficiary numbers not matching distribution plans or the actual figures from non-governmental organization distribution reports. It was difficult to trace the number of beneficiaries in the end-to-end process, even at distribution sites - which is the lowest baseline for analysis.

56. For general food assistance, where manual spreadsheets were used, pre-distribution lists were not matched against post-distribution lists. As such, there was no basis to validate the non-governmental organizations distribution reports, which is a key control, especially with the exceptions noted in the reports sampled: identical numbers of beneficiaries reported;¹² planned versus actual beneficiary numbers being the same with no difference and at 100 percent distribution rate; and inconsistencies of figures within the reports received. There is a need to strengthen the review process over these reports as well as actions taken as a result thereof.

57. The lack of structured review and monitoring processes to verify planned versus actual beneficiaries (i) limited the country office's ability to detect anomalies and underlying programmatic issues, as well as provide assurance that targeted beneficiaries were assisted; (ii) exposed the distribution process to the risk of data manipulation; and (iii) impacted the validity and reliability of baseline numbers as variances were not analysed before the consolidation and reporting process for the beneficiaries assisted.

58. The country office recently developed weekly and monthly aggregated results of planned versus actual beneficiaries¹³ with summarized inputs from field offices. The indicative results discussed in the weekly update meetings with field offices provide management with an overview of distribution cycle updates and performance while waiting for the final reports from non-governmental organizations. This initiative could be expanded to systematically reconcile, review and track planned versus actual beneficiaries assisted starting from distribution sites up to the country office consolidated level.

Underlying causes: Previous workflow having decentralized the development of distribution plans at the field office level which had limited visibility of resources available for distribution to beneficiaries; insufficient awareness of the importance of systematic reconciliation for mitigating risks in programme implementation (see [Observation 1](#)); fragmented end-to-end monitoring and validation of planned versus actual beneficiaries assisted; and staff capacity constraints.

Agreed Actions [Medium priority]

The country office will:

- (i) Establish a mechanism to track and reconcile end-to-end beneficiary numbers from implementation plans to distribution plans up to non-governmental organization distribution reports.
- (ii) In coordination with field offices, introduce a standardized process to review and challenge distribution reports from non-governmental organizations and communicate report deficiencies and irregularities to partners.

Timeline for implementation

30 April 2024

¹² For example, same number of male and female, the same numbers kept appearing in the report.

¹³ For in-kind, cash-based transfers and nutrition activities.



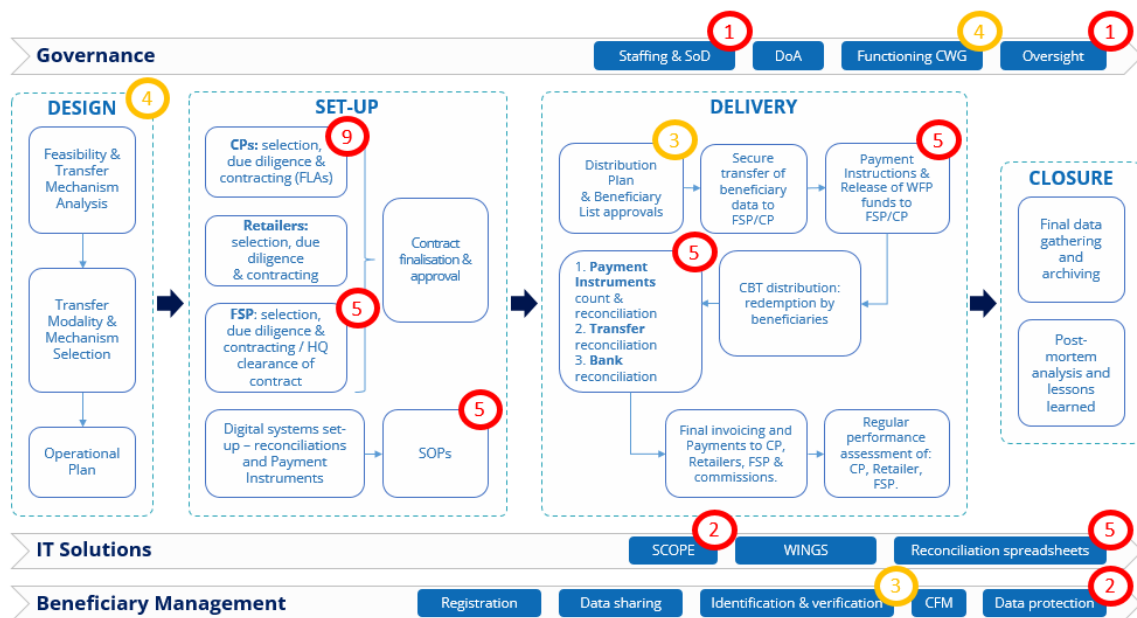
Cash-based transfers

59. Cash-based transfers represented 31 percent of WFP assistance to the Democratic Republic of the Congo in 2021 and 25 percent in 2022. Total cash-based transfer value increased from USD 46 million distributed to 1.5 million beneficiaries in 2020¹⁴ to USD 75 million distributed to 1.5 million beneficiaries in 2021.¹⁵ Ninety percent of the cash was delivered to beneficiaries as cash-in-hand (in envelopes) and 10 percent through mobile-based transfers. Contrary to in-kind activities, SCOPE has been rolled out for all cash-based transfer interventions within the Democratic Republic of the Congo. At the time of the audit fieldwork, the country office had launched a request for proposal for financial service providers and was working on the technical assessment of the propositions received.

60. Management oversight missions conducted in October 2021 indicated five high-priority and three medium-priority areas for improvement in the management of cash-based transfers. As of December 2022, only one recommendation had been fully implemented.

61. The audit performed tests of critical controls in cash-based transfer processes and systems, including governance, set-up, and delivery, as illustrated in Figure 3.

Figure 3: Simplified process diagram and related audit observations for cash-based transfers



Numbers in the diagram represent the related audit observations and their respective priority rating (red represents high-priority observations and yellow represents medium-priority observations).

Observation 4: Cash-based transfer design, set-up and contracting

Country office cash working group

62. During the audit period, the country office's cash working group – set up to facilitate an integrated and cross-functional approach to cash-based interventions – did not operate as per its terms of reference and only met five times between June 2021 and August 2022. Its membership had yet to be reviewed or updated to reflect staff departures. Further, finance and security functional units were not represented in cash working group meetings.

¹⁴ Democratic Republic of the Congo – Annual Country Reports 2020.

¹⁵ Democratic Republic of the Congo – Annual Country Reports 2021.



63. Further, modality selection, non-governmental organizations selection and risks associated with cash-based transfers were also not discussed in most of the meeting minutes reviewed by the audit.

Assessments and choice of modality

64. The country office did not complete all strategic assessments to support the choice of modality and set-up for all cash-based interventions. The non-governmental organizations' capacity assessments and risk identification; macro and micro financial sector assessments; macro supply chain assessment; consolidated supply chain options report; macro and micro-IT assessments; full security and access assessments; and the digital and financial inclusion review had either not been conducted or had yet to be updated.

65. Actual modality selections were not always supported by the analysis and recommendations of the multisectoral assessments. The ex-ante analysis of cost efficiency effectiveness and externalities, crucial to the decision-making process on appropriate transfer modalities and mechanisms, had yet to be carried out.

Underlying cause(s): Lack of timely staffing capacity assessments; absence of regular and strategic cash working group meetings; lack of timely assessments to support cash-based transfer modality selections; inadequate monitoring of contracts with financial service providers; and lack of coordination with the headquarters Business Development Cash-Based Transfers unit over the due diligence performed.

Agreed Actions [Medium priority]

The country office will:

- (i) Review the cash working group's terms of reference and composition to focus on both strategic and operational decision making.
- (ii) Define a timeline and complete necessary sectoral country's level assessments to inform transfer modalities and selection decision making.

Timeline for implementation

31 December 2023

Observation 5: Cash-based transfer delivery and reconciliations

Cash-based transfer contract management

66. The country office failed to perform the necessary due diligence analysis during the financial service provider contracting process. This included (i) assessment of the use of the financial service provider transfer platform – which could have given WFP an option for full control and sole access to beneficiary data management and reconciliations; and (ii) assessment of mobile account restrictions depending on the know-your-customer evaluation of the beneficiary – which led to beneficiaries with large households not receiving assistance above USD 100.

67. One of the five addenda and two of four waivers for the two financial service providers could not be provided to the audit team. For one contract, the addenda were signed by the Country Director although he did not have an appropriate delegation of authority. The templates used for the contracts, and the various addenda did not include new general conditions such as protection from sexual exploitation and abuse requirements.

68. The mobile money operator did not comply with other provisions of the contract, including monthly reports on dormant and inactive accounts, which were never provided to the country office.



Letters of guarantee

69. In several instances in 2021 and 2022, the amounts transferred to the financial service providers for distribution were above the threshold covered by the letters of guarantee in the event of the financial service provider defaulting. In addition, the letters of guarantee were not always authenticated with issuers nor returned to the financial service providers at the end of a contract.

Management of payment instruments

70. Segregation of duties issues were noted in the management of payment instruments at sub-office levels. The Programme unit in some sub-offices were entirely in charge of managing the SCOPECARDS light¹⁶ and SIM cards, including custody, printing, and handover of cards to non-governmental organizations. At the time of the audit, no finalized specific standard operating procedure was in place for the management of payment instruments or SIM cards.

Reconciliations

71. Direct cash distribution reconciliations were based on matching payment instructions against distribution totals, not against individual beneficiary distribution lists. The overall process was manual, relying on distribution reports, and could not provide reasonable assurance that only the intended recipients received assistance in the right amount. In at least one region (Fiji, in April 2022), there were discrepancies between the number of beneficiaries reported in the financial service provider invoice and the non-governmental organizations distribution reports. The October 2021 regional bureau oversight mission reported that the reconciliation standard operating procedure did not support independent verification of individual beneficiaries.

Underlying cause(s): Staffing constraints at sub-office levels to manage financial service provider contracts and payment instruments; unclear roles and responsibilities in SIMCARDS light and SIM cards management; and control weaknesses associated with the use of paper reconciliation for cash-based transfer delivery mechanisms.

Agreed Actions [High priority]

The country office will:

- (i) Nominate a focal point for financial service provider contract management and enforce and monitor contract clauses, including monthly reports; and monitor transfer levels to ensure they do not exceed the amount covered by the letters of guarantee.
- (ii) Finalize the new financial service provider tendering and contracting process; with corporate support, carry out a due diligence exercise for all financial service providers, identifying risks, mitigating measures and limitations; and reassess and obtain adequate letters of guarantee.
- (iii) Update the standard operating procedures and tools for the appropriate management, tracking and reconciliation of payment instruments.
- (iv) Strengthen reconciliation modalities, including checks and triangulations of data (distribution and transfer lists); perform sampled spot check controls on distribution lists at the beneficiary level; and implement the October 2021 management oversight mission recommendations, including those related to data received from financial service providers.

Timeline for implementation

30 June 2024

¹⁶ WFP-managed payment instruments.



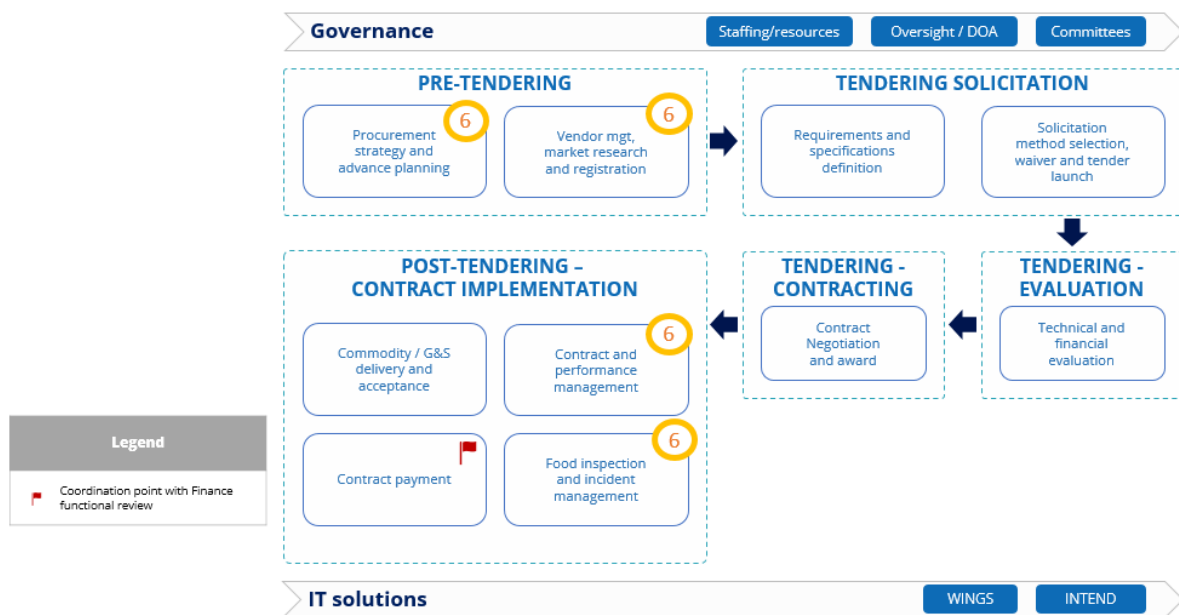
Supply chain

72. Supply chain in the Democratic Republic of the Congo Country Office includes procurement, logistics and food safety & quality functions. The audit assessed supply chain key controls (see Figures 4 and 5 for results).

Procurement

73. During the audit period, food procurement amounted to USD 86.9 million with 16 percent representing local food purchased. Goods and services procured by the country office amounted to USD 21.1 million.

Figure 4: Simplified process diagram and related audit observations for procurement



Numbers in the diagram represent the related audit observations and their respective priority rating (yellow represents medium-priority observations).

Observation 6: Supply chain strategy and procurement

Supply chain strategy, procurement plan and market assessment

74. No supply chain strategy was in place to manage different operational priorities and ensure the movement of food commodities in the country in a timely manner. The country office procurement plan mainly relied on in-kind contributions from a major donor, while WFP's Global Commodity Management Facility and local procurement were utilized for other commodities and foreseen pipeline breaks. The Supply Chain unit faced several, persistent challenges in meeting programmatic requirements, which are regularly approached in a reactive mode, reducing the strategic changes needed at programme and supply chain levels to meet the office's long-term objectives.

75. The 2022 goods and services procurement plan was approved mid-year. It was not periodically reviewed or updated to guide, control, and optimize procurement activities and ensure efficient use of resources. The country office did not systematically carry out food comprehensive market assessments¹⁷ across the country, which is key to understand market changes and identify new suppliers.

¹⁷ Price market assessments were regularly completed by the VAM unit and a market analysis in Lubumbashi region was completed.



Contract management

76. The review of sampled procurement transactions highlighted that performance bonds were not systematically requested from food suppliers. The Procurement unit did not maintain an effective archiving system considering the high staff turnover. In addition, adequate performance evaluations of the suppliers providing food, goods or services were not always available.

Underlying cause(s): Funding constraints; inconsistent planning of procurement activities; unclear roles and responsibilities; staffing constraints and capacity to manage contracts and perform comprehensive market assessments.

Agreed Actions [Medium priority]

The country office will:

- (i) Establish the supply chain strategy; enforce its vision for a proactive supply chain approach. Carry out a timely, periodic and accurate update of the procurement plan with the involvement of all stakeholders.
- (ii) Clarify roles and responsibilities for contract and vendor management; in accordance with the procurement manual; request performance bond and complete performance evaluations.
- (iii) Establish a process to enforce and monitor compliance with contract provisions, including performance bond requirements.

Timeline for implementation

31 March 2024

Logistics

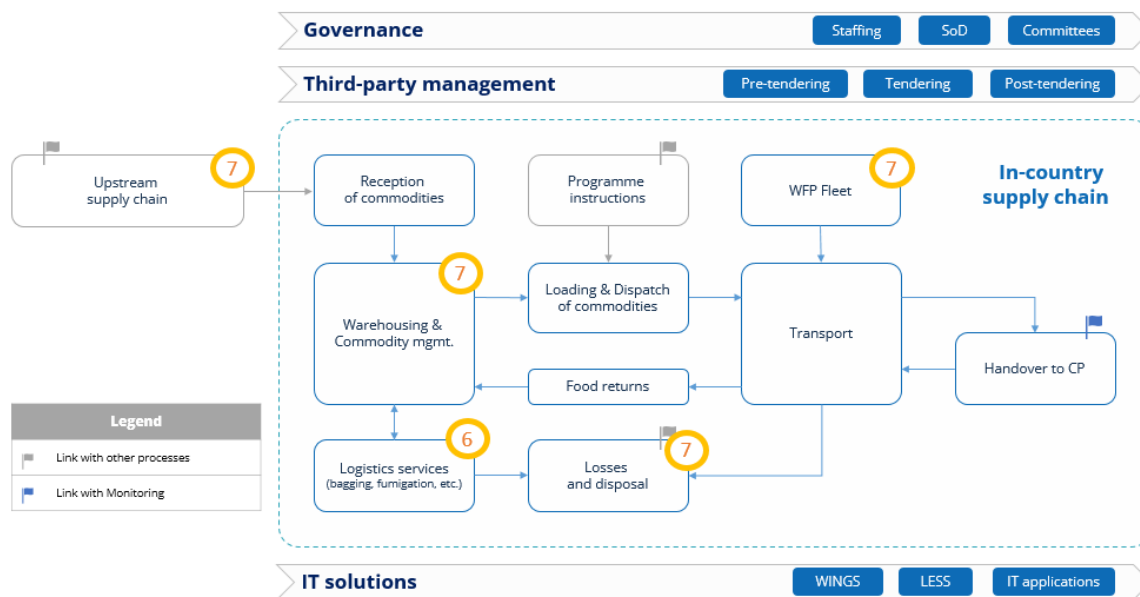
77. Poor road infrastructure remained the main challenge for transferring commodities to distribution points. In the eastern part of the Democratic Republic of the Congo, insecurity and local crises impacted WFP logistics operations. The country office systematically received food commodities just in time with a short shelf life, reducing opportunities for a supply chain strategy and increasing the risk of food losses. Within this challenging context, in order to support some of its life-saving interventions, WFP's own trucks transported up to 20 percent of food commodities, including shunting among warehouses. The country office fleet comprised 92 trucks at the time of the audit fieldwork.

78. The tariff system was the main contracting modality for the commercial fleet used by WFP. This tool, proven to be cost-efficient in some large operations, allowed for the contracting of several transporters with limited capacity at the same tariff. Associated risks, such as less incentive to offer competitive prices and cartels, should be constantly monitored.

79. As of November 2022, the country office had a stock of 22,510 metric tons of food stored in 22 WFP-managed warehouses. Food losses in the Democratic Republic of the Congo amounted to USD 0.2 million pre-delivery and USD 1.3 million post-delivery.

80. Following logistics challenges in 2021, which resulted in over 1,000 metric tons of food losses and growing scrutiny by donors, several oversight, support, and training missions were held both by headquarters units and the regional bureau to increase support to supply chain operations.

Figure 5: Simplified process diagram and related audit observations for logistics



Numbers in the diagram represent the related audit observations and their respective priority rating (yellow represents medium-priority observations).

Observation 7: Logistics and commodity management

Logistics assessment and contracting

81. The country office did not carry out a comprehensive logistics service market assessment, which is necessary to ensure supplier competition, achieve cost efficiency and understand the impact of WFP operations on local markets. At the time of the audit fieldwork, the country office had launched a new expression of interest for all logistics services, aiming to update its vendor shortlist in 2023.

82. The tariff system contracting modality had not been reviewed and documented. In addition, the following related issues were noted: (i) the allocation plan was decentralized to the field offices with limited oversight by the country office and allocation criteria were not uniformly applied; and (ii) monthly allocation plans and deviations were not systematically formalized and approved by the country office management. This issue was also raised in the 2020 internal audit of WFP operations in the Democratic Republic of the Congo,¹⁸ and is reiterated herewith. At the time of the audit fieldwork, the country office was formalizing a process and tool for the allocation plan process and aimed to implement this activity in 2023.

Commodity management

83. The following issues related to inadequate commodity accounting were identified: 5 percent of the landside transport instructions were not closed in a timely manner; late recording of transport movements; use of manual waybills; and a significant number of data entry errors for good receipts.

84. The onsite visit to an area office warehouse revealed that several metric tons of infested food which had accumulated over the years had not been recorded in WFP's tool for commodity supply chain process and was pending disposal. According to management, food disposal is a sensitive activity in the Democratic Republic of the Congo, especially when it involves large quantities that are easily visible to the local population, and which could trigger possible retaliation. Adequate and comprehensive supporting documentation for food losses below 10 metric tons was not available.

¹⁸ Internal audit of WFP operations in the Democratic Republic of the Congo (AR/20/12) – [link](#)



WFP fleet management

85. At the time of the audit fieldwork, there was a USD 870,000 difference for spare parts between the physical inventory and the accounting system. The 2022 reconciliation exercise was the first conducted since 2010. Due to the lack of regular review of discrepancies, it was not feasible to identify the root cause for each difference. In addition, according to management, 15 trucks were pending disposal. The review of the fleet distribution and capacity required from the different field offices had yet to be completed, increasing the risk of inefficient use of the WFP fleet versus commercial transporters.

Underlying cause(s): Staffing constraints and capacity to perform logistics market assessment; decentralization of transport allocation plans; limited commodity accounting training; and absence of adequate oversight mechanisms.

Agreed Actions [Medium priority]

The country office will:

- (i) Complete the logistics service market assessment; formalize the standard operating procedure for the tariff system; centralize the management of allocation plans; systematically apply performance evaluations.
- (ii) Provide commodity accounting training to staff and implement a monitoring control to detect and correct accounting anomalies.
- (iii) Establish a process for the documentation required to support all food losses; and take necessary action to dispose of expired food commodities.
- (iv) Formalize a standard operating procedure for management of the fleet's spare parts; perform regular physical count and reconciliation exercises and prioritize disposal activities; and carry out a regular review exercise of WFP fleet management modalities.

Timeline for implementation

31 March 2024

Monitoring

86. The presence of monitoring staff at all distribution points¹⁹ has always presented a challenge to the country office due to the size of operations, security and access constraints, and logistics.²⁰

87. The country office monitoring unit: (i) developed a monitoring strategy aligned with the country strategic plan and relevant corporate documents. The strategy, underpinned by four key pillars,²¹ aims to produce reliable and high-quality evidence to inform programme implementation; and (ii) was actively working on implementing the remaining corrective actions to strengthen programme monitoring activities. The unit had already implemented five of seven actions, including the recent issuance of standard process monitoring procedures with guidance on risk-based priority ranking of sites to be visited based on risk categories.

88. With the limited number of staff, the country office focused its distribution monitoring on general food assistance activities particularly cash-based transfers covering all cash distribution sites. In 2022, the country office aimed to achieve 75 percent²² coverage (from 60 percent in 2021) of the total food distribution sites compared to the corporate benchmark of 100 percent coverage. Although the rate of monitoring coverage

¹⁹ The country office's monitoring dashboard indicated a total of 10,827 final distribution points for its country strategic plan activities.

²⁰ Including poor telecommunications, road network and other infrastructure.

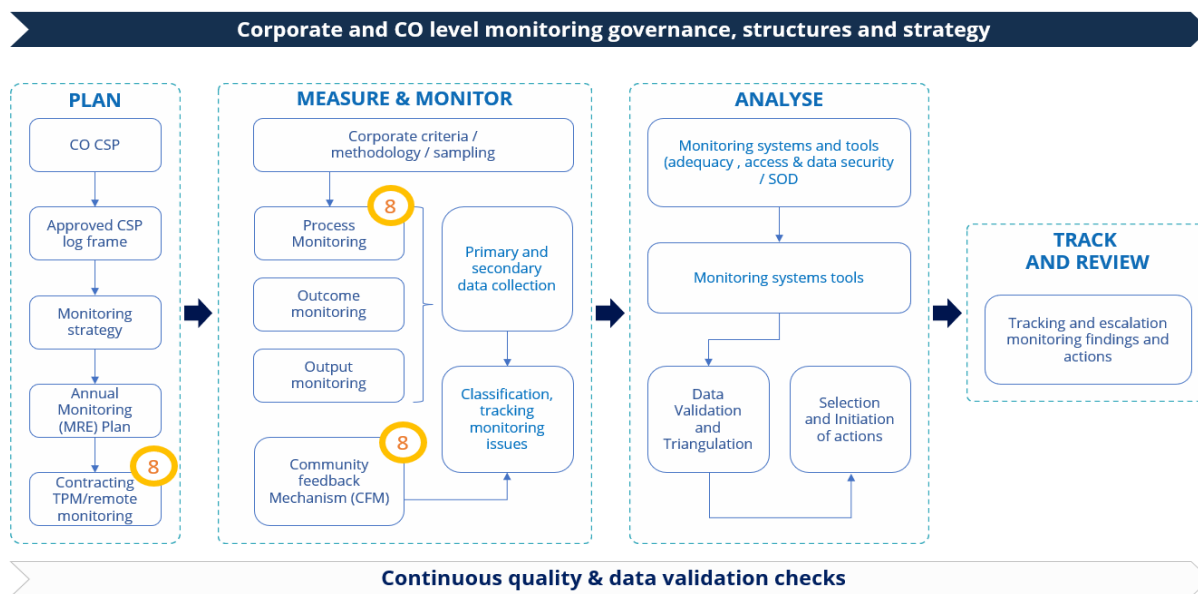
²¹ (i) Standardizing processes, methodologies and tools; (ii) improving uptake of monitoring findings; (iii) capacity development; and (iv) joint monitoring.

²² At the time of the audit fieldwork, the country office had already achieved its target with 76 percent coverage.



has increased for these activities, the coverage of other activities in nutrition and school feeding remained low, ranging from 4 to 16 percent.

Figure 6: Simplified process diagram and related audit observations for monitoring



Numbers in the diagram represent the related audit observations and their respective priority rating (yellow represents medium-priority observations).

Observation 8: Monitoring coverage

89. Given the high number of distribution sites, the country office was not always able to be present and monitor all distribution activities. There was a need to assess and agree with key stakeholders, especially donors, the means to increase WFP’s presence in the field in terms of programme monitoring considering not just the number of distribution points but also their relevance, materiality, and associated risks. At the time of the audit fieldwork, the country office was in the process of implementing a risk-based site priority ranking system to inform process monitoring coverage.

90. One option is to use third-party monitors as do WFP operations in other countries with comparable operational contexts as the Democratic Republic of the Congo. A major donor has also worked with third-party monitors to oversee implementation of its funded programmes in the Democratic Republic of the Congo. There is an opportunity for the country office’s Monitoring unit to harmonize its monitoring approach with the donor’s third-party monitors to ensure coordinated and combined programme monitoring.

Underlying causes: Access and security issues across the country; inadequate staffing capacity linked to funding constraints; and donor accountability mechanisms requiring greater WFP presence in the field.

Agreed Actions [Medium priority]

The country office will:

- (i) Evaluate the use of third-party monitors to increase monitoring coverage.
- (ii) In coordination with a major donor and its third-party monitors, explore a coordinated and harmonized monitoring approach.

Timeline for implementation

31 March 2024



Observation 9: Community feedback mechanism

91. Since the last internal audit of WFP operations in the Democratic Republic of the Congo in 2020, the country office has improved its community feedback mechanism, implementing the corporate system for such mechanisms, and adopting a detailed standard operating procedure for case management and escalation. In the second half of 2022, the country office also developed an issue identification and tracking system for monitoring findings from field offices, which captures beneficiary complaints and feedback.

92. There is an opportunity for the country office to consolidate complaints from multiple sources into the same database and establish common categories for escalation, validation and decision making.

93. Underlying causes: Existence of a limited beneficiary complaints and feedback process.

Agreed Actions [Medium priority]

The country office will develop a process to consolidate and analyse beneficiary complaints and feedback from multiple sources into the same database and harmonize categories and tools.

Timeline for implementation

31 December 2023

Non-governmental organization management

94. The country office worked with more than 50 non-governmental organizations each year (10 percent are international) involved in general food distribution, cash-based transfers, nutrition, and resilience activities. This represented approximately USD 30 million in annual implementation costs.

95. In the second half of 2021, the country office started using the United Nations harmonized tool to assess non-governmental organizations' capacity to ensure adequate safeguards and appropriate actions related to sexual exploitation and abuse are in place and functioning.

Observation 10: Non-governmental organization management

Governance structure

96. While the decentralized management of non-governmental organizations increased efficiency and improved responsiveness to operational needs, it limited the country office's visibility and oversight of field offices' selection, management, evaluation, and capacity building activities of non-governmental organizations. The country office unit mainly supported the field offices with field-level agreement management activities.

97. At the time of the audit fieldwork, the country office cooperating partner management unit had limited staffing capacity to oversee the selection, including due diligence, implementation of field-level agreements and evaluation of all local and international partners. The 2021 Democratic Republic of the Congo external audit report²³ also highlighted the need to update the standard operating procedure on non-governmental organizations management to harmonize tools and procedures across field offices. This process was still in progress at the time of the audit mission.

Assurance and performance evaluations

98. Non-governmental organizations performance evaluations were also not systematically conducted upon field-level agreement completion and before the conclusion of any new agreement. Recommendations arising from capacity assessments, health checks and/or performance assessments were not properly followed up on, resulting in weaknesses not being addressed.

²³ External audit of the World Food Programme (French Cour des Comptes reference: WFP-2021-10) Financial year 2021.



99. No risk-based oversight and assurance plan was in place to systematically conduct spot-checks of non-governmental organizations to verify implementation progress of agreed activities and results reported to WFP. In addition, the field-level agreement management standard operating procedure did not clearly define prioritization and sampling criteria of non-governmental organizations spot-checks.

100. Oversight activities and assurance covering both programmatic and financial and administrative spot-checks are necessary for effective programme implementation and efficient use of WFP resources by the implementing partner. Of the more than 50 non-governmental organizations, only 10 underwent spot-checks in 2022.

Review of non-governmental organizations' invoices and expenditure reports

101. The country office's process for paying non-governmental organizations' invoices was burdensome, requiring the non-governmental organizations to submit monthly expense reports together with all detailed supporting documentation (such as photocopied receipts, cost breakdowns, etc.). This led to payment processing delays and inefficiencies. The country office Programme unit's review, mainly matching detailed expense items to supporting documents, provided limited assurance on the expenditures' relevance and validity when compared to other compensating controls, such as spot-checks and financial desk reviews.

102. Financial due diligence and spot checks of non-governmental organizations can better identify and address gaps in their financial management activities in a timely manner. At the time of the audit fieldwork, no guidance was in place to sample and prioritize the expenditure material to a project that should be the focus of monthly reviews to confirm whether it is in accordance with programme workplans and WFP regulations.

Underlying cause(s): Standard operating procedure not based on financial due diligence and spot-checks; staffing constraints in the country office cooperating partner management unit; and lack of coordination between Programme and Finance units in reviewing non-governmental organization invoices, statements of expenditure, and supporting documentation.

Agreed Actions [High priority]

The country office will:

- (i) Establish a process to systematically follow up on recommendations arising from capacity assessments (including financial, administrative, programmatic and protection assessments).
- (ii) Develop a risk-based assurance framework and plan for non-governmental organization activities covering programmatic, financial, and administrative aspects.
- (iii) Based, on the assurance plan, establish a process to ensure spot checks are periodically performed to assess the accuracy of financial transactions, the status of programme activities, and whether there have been any significant changes to applicable internal controls. Spot checks will be based on a predefined sample of total expenditures and overall activities during the programme cycle and reported by each non-governmental organization. Financial spot-checks will be carried out jointly with the Finance unit.
- (iv) Set criteria for non-governmental organizations' evaluation and determine specific timelines and frequency of performance evaluations which will inform the partner selection process and renewal.

Timeline for implementation

30 April 2024



Annex A – Agreed action plan

The following table shows the categorization, ownership and due date agreed with the audit client 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.

The agreed action plan is primarily at the country office level.

#	Observation (number/title)	Area	Owner	Priority	Timeline for implementation
1	Governance and risk management	Governance	Country office	Medium	1) 31 March 2024 2) 31 December 2023
2	Beneficiary registration and the use of SCOPE	Beneficiary management	Country office	High	30 June 2024
3	Centralized tracking and reconciliation of assisted beneficiaries	Beneficiary management	Country office	Medium	30 April 2024
4	Cash-based transfer design, set-up and contracting	Cash-based transfers	Country office	Medium	31 December 2023
5	Cash-based transfer delivery and reconciliations	Cash-based transfers	Country office	High	30 June 2024
6	Supply chain strategy and procurement	Supply chain	Country office	Medium	31 March 2024
7	Logistics and commodity management	Supply chain	Country office	Medium	31 March 2024
8	Monitoring coverage	Monitoring	Country office	Medium	31 December 2023
9	Community feedback mechanism	Beneficiary management	Country office	Medium	30 April 2024
10	Non-governmental organization management	Non-governmental organization management	Country office	High	30 April 2024



Annex B – Definitions of audit terms: ratings and priority

1 Rating system

The internal audit services of UNDP, UNFPA, 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.
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.
Major improvement needed	The assessed governance arrangements, risk management and controls were generally established and functioning, but needed 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 Priority of agreed actions

Audit observations are categorized according to the priority of agreed actions, which serve 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.
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, including better value for money.

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.

Typically audit observations can be viewed on two levels: (a) observations that are specific to an office, unit or division; and (b) observations that may relate to a broader policy, process or corporate decision and may have a broad impact.²⁴

²⁴ 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.



3 Monitoring the implementation of agreed actions

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.

The Office of Internal Audit monitors agreed actions from the date of the issuance of the report with regular reporting to senior management, the Independent Oversight Advisory Committee and the Executive Board. Should action not be initiated within a reasonable timeframe, and in line with the due date as indicated by management, the Office of Internal Audit will issue a memorandum to management informing them of the unmitigated risk due to the absence of management action after review. The overdue management action will then be closed in the audit database and such closure confirmed to the entity in charge of the oversight.

When using this option, the Office of Internal Audit continues to ensure that the office in charge of the supervision of the unit which owns the actions is informed. Transparency on accepting the risk is essential and the Enterprise Risk Management Division is copied on such communication, with the right to comment and escalate should they consider the risk accepted is outside acceptable corporate levels. The Office of Internal Audit informs senior management, the Independent Oversight Advisory Committee and the Executive Board of actions closed without mitigating the risk on a regular basis.



Annex C – Acronyms

CBT	Cash-based Transfer
IPC	Integrated Food Security Phase Classification
MoDa	WFP’s data collection platform supporting evidence-based decisions
SCOPE	WFP beneficiary information and transfer management platform
USD	United States dollars
WFP	World Food Programme

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