

# Internal Audit of WFP Operations in Tanzania

Office of the Inspector General  
Internal Audit Report AR/25/04



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## I. Executive summary

### WFP in the United Republic of Tanzania

1. As part of its annual workplan, the Office of Internal Audit conducted an audit of WFP operations in the United Republic of Tanzania (hereafter referred to as Tanzania). The audit focused on risk management and oversight; programme design and implementation covering tailored reviews of assessment and beneficiary targeting, identity management and a full-scope review of management of non-governmental organization partners; monitoring activities; and community feedback mechanisms. It also included tailored reviews of the management of external stakeholder relations and communication, transport and logistics, procurement, and common services.

2. The audit covered the period from 1 January to 31 December 2024. During this period, WFP's direct operational expenses in Tanzania were USD 36 million, reaching approximately 533,000 beneficiaries.

### Audit conclusions and key results

3. Based on the results of the audit, the Office of Internal Audit reached an overall conclusion of **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 objectives of the audited entity/area should be achieved. Issues 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.

4. In response to organizational and financial challenges, WFP undertook a structural review in 2023, leading to the adoption of a "one integrated global headquarters" model in October 2024, aimed to enhance support to country offices and streamline services through global hubs. Following a pause in the United States foreign development assistance and declining funding projections, WFP initiated cost-efficiency measures, and by April 2025, due to a projected 40 percent funding reduction, WFP announced plans to reduce its global workforce by up to 30 percent. The results of this audit should be read in the context of these organizational measures.

5. At the time of the audit fieldwork, the country office was actively working on enhancing some of its key processes, including: the community feedback mechanisms; the monitoring strategy, tools and procedures; and the management of cooperating partners. These revisions aimed to enhance internal controls and align the local practices to WFP's global assurance standards, which it will have to implement during 2025. As a hub for WFP's global commodity management facility, the country office effectively operated a supply chain corridor and provided services to WFP operations in eight countries. Stakeholders interviewed for the audit highlighted WFP's proactive collaboration, information sharing, and regular meetings and updates.

6. WFP faced contextual challenges in implementing crisis response activities in Tanzania: limited funding; restrictions to implement cash-based transfers or livelihood support activities; the Government's policies regarding the promotion of voluntary repatriation of Burundian refugees, as well as the various stakeholders involved in the crisis response, including other United Nations agencies and government partners, limited the country office's ability to manoeuvre in a context of global financial challenges for WFP.

7. The audit report includes one observation with a high-priority action: [Observation 1](#), regarding the crisis response activity scenario planning. The various contextual factors highlighted in paragraph 6 limited WFP's ability to deliver food assistance to refugees, making it difficult to plan and implement effective responses to their food security needs. To address these challenges, the country office should update its scenario analyses to outline concrete preparedness actions, beyond potential ration cuts, in case funding or other challenges materialize; and ensure clear communication with stakeholders regarding the contextual risks involved in the operation, and eventual risk tolerance and acceptance measures.



8. The audit report also includes eight observations with medium priority actions. There was a need to consolidate the various activity-specific targeting procedures into a comprehensive targeting strategy, to ensure consistency across activities and alignment with programmatic objectives in a context of projected funding challenges.
9. To enhance WFP's value proposition in the country, there were opportunities to assess the skills required to ensure the effective delivery of resilience-building activities and identify strategies to develop or acquire such skills. This would, in turn, allow the country office to revise its activity implementation approaches, based on lessons learned, further aligning its processes to corporate guidelines.
10. The country office should revise its capacity assessment and oversight of non-governmental organizations, considering the human and financial resources available to conduct these activities. The country office should also strengthen its oversight of warehouse management and procurement procedures to minimize financial and operational risks.
11. The country office updated its monitoring strategy, and, at the time of the audit fieldwork, it was making progress towards implementing procedures aiming to achieve greater coverage. Additional work was required to enhance the risk-based monitoring approach and ensure adequate issue management and escalation. Similarly, the country office implemented a hotline in 2024 and, at the time of audit fieldwork, it was implementing additional mechanisms to gather community feedback from refugees. These efforts will benefit from beneficiary sensitization and additional procedures to ensure data quality.
12. Management has agreed to address the nine reported observations and implement the agreed actions by their respective due dates.
13. The Office of Internal Audit would like to thank managers and staff for their assistance and cooperation.



## II. Country context and audit scope

### Tanzania

14. Tanzania achieved lower-middle-income status in 2020 following consecutive decades of economic growth.<sup>1</sup> It has an estimated population of 61 million people. It ranked 167 of 193 countries in the 2023–2024 Human Development Index,<sup>2</sup> and 82 of 180 countries in the 2024 Transparency International Corruption Perceptions Index.<sup>3</sup>

15. Agriculture remains a cornerstone of the national economy, supporting most Tanzanians. However, climate shocks, environmental degradation, and persistent gender inequalities continue to exacerbate food insecurity and limit development progress.<sup>4</sup>

16. As of February 2025, Tanzania hosted an estimated 230,000 refugees and asylum seekers, mainly from Burundi and the Democratic Republic of Congo. Approximately 83 percent of them live in two camps located in the northwestern region of Kigoma.<sup>5</sup> Approximately 58 percent of them live in the Nyarugusu camp, 25 percent in the Nduta camp, and the rest in other settlements in the region.<sup>6</sup> The country office provides general food assistance to refugees living in camps, who are registered with the Government of Tanzania and the United Nations High Commissioner for Refugees (UNHCR). WFP obtains beneficiary lists from UNHCR and processes the information in its beneficiary management system. Biometric identity verification is available at the Nyarugusu camp, and it is planned to be extended to Nduta later in 2025.

17. Burundian refugees represent approximately 63 percent of Tanzania's refugee population.<sup>7</sup> In 2001, Tanzania, Burundi, and UNHCR signed a tripartite agreement to facilitate the safe, voluntary repatriation of Burundian refugees. As of December 2024, the parties reaffirmed their commitment to repatriate 3,000 refugees per week. The developments and actions under the tripartite agreement may impact the country office's crisis response activities aimed at assisting the affected refugee population, particularly regarding the number of beneficiaries to be assisted and the modalities of food assistance that WFP could provide.

### WFP operations in Tanzania

18. WFP's operations in Tanzania are guided by its country strategic plan covering the period from July 2022 to June 2027. After three budget revisions, the plan's budget reached USD 381 million over the entire period. In 2024, WFP's operations in Tanzania focused on improving nutrition, strengthening smallholder productivity, and building national capacity in adaptive social protection, emergency preparedness and response, and sustainable food systems, while also providing support to refugees.

19. Under the country strategic plan's outcome 1, WFP provides monthly food baskets to approximately 190,000 refugees, on a blanket basis, to help them meet basic food and nutrition needs amid movement restrictions and limited livelihood opportunities, as well as supplementary feeding to around 43,000 nutritionally vulnerable people. In June 2023, due to funding challenges, WFP reduced the food rations to 50 percent of the recommended 2,100 kilocalories to prevent a full halt in assistance. By February 2025, the country office had increased rations to 82 percent of the recommended level, following a one-time supplemental funding from the main donor for the refugee operation.

<sup>1</sup> Source: [United Republic of Tanzania country strategic plan \(2022–2027\)](#)

<sup>2</sup> [Human Development Report 2023–2024, Table 1](#)

<sup>3</sup> [Corruption Perceptions Index 2024](#)

<sup>4</sup> WFP Tanzania country brief, available at: [wfp.org/countries/Tanzania](https://wfp.org/countries/Tanzania)

<sup>5</sup> Source: [UNHCR Tanzania](#).

<sup>6</sup> Source: <https://data.unhcr.org/en/country/tza>

<sup>7</sup> Ibid.



20. The country strategic plan's outcome 3 focuses on resilience building. Through these activities, WFP helps smallholder farmers produce high-quality, climate-resilient, and nutritious crops. Additionally, WFP provides technical assistance to farmers' organizations to enhance their aggregation capacities and systems. WFP also supports communities through asset creation initiatives, aiming to foster long-term sustainability and self-reliance.

21. WFP's activities in Tanzania also include the provision of essential supply chain services to other humanitarian operations in neighbouring countries. The country office supports the procurement and movement of food commodities through established corridors. Through WFP's Global Commodity Management Facility, the country office purchases food commodities in Tanzania for distribution to vulnerable populations affected by crises in country operations in Eastern and Southern Africa.

## WFP's organizational redesign and funding context

22. In 2023, WFP conducted a review of its organizational structure. Following this exercise, in October 2024, it announced adopting a "one integrated global headquarters" model, aiming to ensure better support to country offices, consolidating the delivery of key enabling services via a network of global hubs. Further, in February 2025 and in response to the 90-day pause in United States foreign development assistance,<sup>8</sup> WFP emphasized the implementation of cost efficiency measures, in view of projected donor forecasting and the overall widening resource gap.

23. In this context, WFP examined the role and configuration of its six regional bureaux, as part of the overall review of its organisational structure and deciding to close the regional bureau for Southern Africa, located in Johannesburg, South Africa, (hereafter referred to as "the regional bureau"). On 1 May 2025, the country offices served by the regional bureau, including Tanzania, were consolidated with those of the regional bureau for Eastern Africa, to form the Eastern and Southern Africa Regional Office, located in Nairobi, Kenya.

24. In March 2025, WFP issued a Management Accountability Framework, aimed at enhancing accountability, authority, performance, and results across country offices, regional levels, and global operations. The framework outlines functional roles and responsibilities at various levels including country directors, regional directors, and global functions. It establishes a support structure with a defined chain of command and explicit accountability, aiming at ensuring flexibility and operational efficiency.<sup>9</sup>

25. In April 2025, WFP's funding projection for 2025 was set at USD 6.4 billion, a 40 percent reduction compared to 2024. As a result, senior management communicated the need for a worldwide workforce reduction by 25-30 percent, potentially impacting up to 6,000 roles across all geographies, divisions and levels in the organization.

26. The results of this audit, and specifically the agreed action plans, should be read in the context of the organizational changes ongoing in WFP at the time of audit reporting.

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<sup>8</sup> See: <https://www.whitehouse.gov/presidential-actions/2025/01/reevaluating-and-realigning-united-states-foreign-aid/>

<sup>9</sup> WFP Management Accountability Framework, March 2025.

## Objective and scope of the audit

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

28. The audit focused on Activities 1, 5 and 7 of the country strategic plan. Table 1 summarizes the direct operational costs and beneficiaries assisted in 2024 under these activities. These activities represent 92 percent of the total direct operational costs, and nearly 100 percent of the beneficiaries reached in 2024.<sup>10</sup>

**Table 1: Direct operational costs and beneficiaries assisted in 2024**

Activity	Direct Operational Costs (USD millions)	Percentage of total	Beneficiaries	Percentage of total
Activity 1: Provide food and/or cash-based transfers and improved access to clean cooking solutions for refugees and other vulnerable populations affected by shocks and stressors.	25.5	71 %	200,000	38 %
Activity 5: Provide technical assistance to support smallholder men and women producers to diversify livelihoods, reduce post-harvest loss and improve access to information, technologies and markets.	5.3	15 %	310,000	58 %
Activity 7: Provide cash-based transfers to vulnerable communities and technical assistance to local institutions to support integrated resilience building that enables them to mitigate and prevent environmental degradation and promote climate change adaptation.	2.3	6 %	23,000	4 %
<b>Sub-total: activities in the audit's scope</b>	<b>33.1</b>	<b>92 %</b>	<b>533,000</b>	<b>100 %</b>
Other activities not in the audit's scope	2.8	8 %	0	0 %
<b>Total country strategic plan in 2024</b>	<b>35.9</b>		<b>533,000</b>	

29. In defining the audit scope, the Office of Internal Audit considered coverage by second- and third-line oversight providers such as the Evaluation of WFP's Supply Chain Strategic Roadmap (2022-2025), conducted by WFP's Office of Evaluation, which covered Tanzania at the inception stage in January 2025. There was no oversight coverage by the regional bureau of Tanzania operations during the audited period. The latest recorded management oversight mission to the country was in August 2023, covering programme monitoring. As of February 2025, the regional bureau was planning several missions to be conducted in 2025, covering various business processes.<sup>11</sup>

30. The areas in the audit scope are included in Figure 1 below.

<sup>10</sup> Source: WFP Tanzania country brief, available at: [wfp.org/countries/Tanzania](https://wfp.org/countries/Tanzania)

<sup>11</sup> Including: budgeting and programming; evaluation; monitoring and community feedback mechanisms; finance and management services; cash-based transfers and identity management; risk management; and supply chain.



Figure 1: Areas in audit scope

Full audit coverage:



Partial audit coverage:



31. The audit mission took place from 11 to 27 February 2025 at the country office in Dar Es Salam. It included visits to the Nyarugusu refugee camp, under the responsibility of WFP’s Kigoma field office, and to resilience-building project sites under the Dodoma field office responsibility. The audit team also conducted a tailored review of data privacy arrangements, to inform a separate corporate assignment of the Office of Internal Audit. The audit was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing*.





## III. Results of the audit

### Audit work and conclusions

32. Nine observations resulted from the audit, relating to risk management and oversight, programme design and implementation, management of cooperating partners, supply chain management, and monitoring and community feedback mechanisms. Other audit issues assessed as low priority were discussed directly with the country office and are not reflected in the report.

### Risk management and oversight

33. The country office established a risk committee in 2022, tasked with assisting management in fulfilling its risk management and oversight responsibilities. In October 2022, the country office conducted an organizational alignment review to adapt its structure to the then-new country strategic plan, with a primary focus on financial aspects. At the time of the audit fieldwork, the country office was implementing leadership and crosscutting skills training, while also reviewing the terms of reference, reporting lines, and duty station assignments for certain key positions.

34. In May 2024, the country office undertook a mission to Burundi. WFP Tanzania and WFP Burundi co-hosted a roundtable discussion with representatives from UNHCR, the International Organization for Migration, the United Nations Development Programme, the Resident Coordinator's office in Burundi, and the World Bank. The entities provided updates on the situation at the time, including operational and other challenges. WFP also met local authorities in Burundi to discuss return and reintegration opportunities. The mission raised awareness on the need for cross-border readiness and strategic plans to accommodate an increasing number of returnees, and the need to implement additional preparedness measures and to continue advocacy actions.

#### Observation 1. Crisis response activity scenario planning

##### *Operational context*

35. Limited funding has been WFP's main challenge to the implementation of general food assistance. Further to this, the programme has faced contextual challenges in diversifying activities such as livelihood support and implementation of alternative transfer modalities. The Government has promoted the voluntary repatriation of Burundian refugees as a priority, although progress has been slower than anticipated. Considering the increased funding risk (refer to paragraph 22), and the fact that the crisis response involves various stakeholders, including other United Nations agencies, and government partners, there was a need to develop additional contingency planning measures to address emerging risks.

36. In February 2025, the country office developed a contingency plan in response to the recent (and projected) influx of refugees from the Democratic Republic of Congo; it also prepared an additional scenario analysis, primarily from a pipeline or funding shortfall perspective, regarding the potential impact of projected funding trends on the overall response. The plan and scenario analysis did not include additional preparedness actions to address other specific risks referred to in paragraph 35 above such as the potential effect of voluntary repatriation of Burundian refugees, the refugee influx from the Democratic Republic of Congo and the funding cuts from the main donor. The country office factored some of these risks into its risk register, with mitigation measures such as regular coordination with UNHCR, engagement with the Government, and liaison with WFP Burundi but was yet to assess preparedness actions relating to changes in the beneficiary caseload and modalities of assistance that WFP could provide.

Underlying cause(s): External factors beyond the control of WFP: protracted refugee crisis; challenging funding scenario; Government restrictions.

**Agreed Actions** [High priority]

The country office will:

- (i) Building on the outcomes of the May 2024 roundtable discussion, as well as on-going engagement with the Government and UNHCR, with support from the United Nations country team as appropriate, update the scenario analysis for the crisis response activity, to identify additional preparedness actions, other than potential ration cuts, that may be required should any of these scenarios materialize.
- (ii) Under the guidance of WFP's global headquarters, implement adequate communication with stakeholders regarding the contextual risks involved in the operation, and eventual risk tolerance and acceptance measures.

**Timeline for implementation**

- (i) 31 August 2025
- (ii) 30 November 2025

## Observation 2. Country office skills gaps and learning needs

### *Country office organizational review*

37. The 2022 country office organizational review was not initially supported with a technical skills gap analysis or a learning needs assessment. According to WFP's guidance, such supplementary activities are recommended as part of organizational alignment processes to ensure that country offices are equipped with the right skills needed to deliver on their objectives. In the case of Tanzania, these analyses should also inform the revisions being made to reporting lines and oversight arrangements in the country office.

Underlying cause(s): Oversight and performance: Insufficient oversight from global headquarters / management; Resources: Inadequate succession and workforce planning.

**Agreed Actions** [Medium priority]

The country office, with the support of the Career Management Branch of the Human Resources Division, will conduct a skills gaps assessment and develop an action plan to address any identified needs.

**Timeline for implementation**

31 December 2025

## External stakeholder relations management and communication

38. The audit reviewed the country office's partnership action plan, fundraising strategy, and overall engagement with partners. It also conducted structured interviews with donors, government partners, the Office of the Resident Coordinator, and UNHCR. These stakeholders highlighted WFP's proactive collaboration, information sharing, and regular meetings and updates.

39. The audit report incorporated stakeholders' feedback into the agreed actions under each observation, where relevant. There are no reportable observations specifically related to the external stakeholder relations management and communication process.



## Programme design and implementation

### *Resilience building activities*

40. Under its agricultural market support activity, the country office targets farmer organizations (groups or cooperatives) to provide them with capacity strengthening and agricultural inputs. They are the entry point for all services provided to farmers. Their selection is made based on a value chain analysis and an assessment of existing groups against set criteria.<sup>12</sup>

41. Under the asset creation activities, WFP assists beneficiaries with cash-based transfers, following standard procedures for beneficiary targeting and identification.<sup>13</sup> This is informed by the three-pronged approach, which includes both the integrated context analysis to guide geographical targeting and community-based participatory planning consultations to inform intervention design and beneficiary targeting.

42. The audit reviewed the activity delivery process, including programme design and implementation, assessment and beneficiary targeting, and identity management.

### Observation 3. Country office targeting strategy

43. A targeting strategy provides a framework for a country office to guide targeting decisions across its activities while ensuring alignment with the country strategic plan.

44. The country office defined general targeting criteria for its activities. The overall targeting approach informed the design and implementation of projects, providing a basic level of targeting and prioritization. The office drafted standard operating procedures for two activities in early 2025.

45. None of these approaches and efforts were documented in a comprehensive targeting strategy, outlining targeting objectives, prioritization approaches, methodologies and implementation mechanisms. This limited the country office's ability to ensure consistency across activities and alignment with programmatic objectives. Given the projected funding risks and existing operational challenges, a well-defined targeting and prioritization strategy would enable the country office to allocate resources more efficiently.

Underlying cause(s): Policies and procedures: Absence of local policies/guidelines.

#### **Agreed Actions** [Medium priority]

The country office will develop a comprehensive targeting and prioritization strategy to ensure coherence and complementarity across its country strategic plan activities.

#### **Timeline for implementation**

31 December 2025

<sup>12</sup> Including the number of farmers, availability of land, production and marketing track record, loan access and repayment records.

<sup>13</sup> Namely the integrated context analysis approach.



## Observation 4. Identity management processes

### *Beneficiary verification*

46. UNHCR carried out the latest refugee verification exercise in 2014; plans to conduct a new verification over the past years did not materialize; as a result, WFP's general food assistance was planned based on the 2014 information. To mitigate the risks associated with the absence of a recent verification exercise, WFP used the biometric identity verification process available through UNHCR to ensure that those collecting food were biometrically registered with UNHCR. However, such verification was limited to heads of household and did not extend to household members, leaving potential risks regarding the completeness and accuracy of beneficiary information unmitigated. With the ongoing funding challenges affecting all United Nations entities, it is unlikely that an updated verification exercise can be completed in 2025. In February 2025, the Government notified WFP and UNHCR of a new procedure for household verification at the time of food distribution, whereby all beneficiaries and household members are requested to be present during the distribution. The outcomes of these new procedures are yet to be documented and assessed.

47. As an example, beneficiary information used for food distributions in September 2024 indicated that there were 45,533 beneficiaries registered in the Nyarugusu camp, with an average household size of five. There were 978 households with more than 10 members and 2,136 households composed of one person. In the absence of updated information and regular analysis thereof, it was difficult to establish whether these numbers were representative of the population in the camps and provided a reasonable basis for activity implementation.

### *Asset creation*

48. The beneficiary information management process for the asset creation activity was predominantly manual, and inherently prone to errors. Communities, with the support from a non-governmental organization, manually prepared the beneficiary lists. There were no data integrity checks such as reviewing that all beneficiaries in the list had an identity document number or a phone number or performing a deduplication using the information available in the lists on the lists prior to processing the information into various spreadsheets and WFP corporate tools,<sup>14</sup> causing inefficiencies and an increased risk of error.

49. Under the asset creation activity, on completion of work, beneficiaries received payment in the form of a cash-based transfer. For this purpose, non-governmental organization partners filled a file based on manual attendance records kept by the communities, which was then processed into WFP's transfer management system. The absence of attendance verification procedures led to payment delays, which the country office had identified and was working on addressing at the time of the audit fieldwork.

Underlying cause(s): Tools, systems and digitization: insufficient integration of tools and systems.

#### **Agreed Actions** [Medium priority]

The country office will revise the beneficiary information management procedures and systems for efficiency and incorporate attendance tracking and verification controls for the asset creation activity.

#### **Timeline for implementation**

31 December 2025

<sup>14</sup> WFP's primary tool for data collection (MODA); WFP beneficiary information and transfer management platform (SCOPE).



## Observation 5. Resilience building activity implementation

### *Smallholder farmer support*

50. Given the limited number of pre-existing cereal crop farmers organizations, the country office selected individual farmers as the activity's entry point, and trained groups of leading farmers to replicate training with other farmers. Non-governmental organization partners were responsible for the tracking and oversight of the training and replication. The arrangement made it difficult to assess the effectiveness of replication, and the project's impact and sustainability. This challenge was compounded by the absence of detailed records of beneficiary farmers or organizations.

51. Another project aimed to facilitate connections between farmers and private sector companies through network building, enhancing productivity, market linkages, and digitalization. The project's impact was affected as farmers were connected to a limited number of private sector companies and, in one case, the company also provided farmers with seeds on credit, potentially creating constraints such as dependency and limited access to broader market opportunities. The country office reported that it was aware of the issue and had started actively seeking for broader market opportunities for the farmers.

Underlying cause(s): Process and planning: inadequate process or programme design.

#### **Agreed Actions** [Medium priority]

The country office will develop a smallholder farmer agricultural market support country-specific implementation strategy, in accordance with corporate guidelines and incorporating lessons learned to address the identified challenges.

#### **Timeline for implementation**

30 June 2026

## Non-governmental organization management

52. In the audit period, the country office contracted 12 non-governmental organizations (NGOs) to implement programmatic activities. These partners support WFP mainly in the distribution of general food assistance for refugee operations, and in the implementation of smallholder agricultural market support and asset creation and livelihood support activities.

53. The value of purchase orders for distribution agreements with NGO partners in the audit period was USD 7 million. The country office used the United Nations Partner Portal for sourcing NGO partners and assessing their capacity against corporate requirements.

54. The audit tested internal controls for the selection, due diligence, capacity building, field-level agreement management, and oversight practices, including spot checks and performance evaluations.

## Observation 6. Non-governmental organization assessments and oversight

### *Partner assessments*

55. The country office did not conduct fraud risk assessments prior to contracting, creating a gap in the partner overall assessment process. Instead, fraud risks were assessed during management oversight reviews. Performing fraud assessments prior to contracting would allow for more effective and timely risk mitigation.

56. The country office provided anti-fraud and anti-corruption training to some of its partners and indicated that it prioritized training for the remaining partners for the second quarter of 2025. Ensuring comprehensive anti-fraud and anti-corruption training across all partners is critical to strengthening fraud prevention measures.



At the time of audit reporting, the country office informed having advanced anti-fraud and anti-corruption sessions for its partners implementing activities under strategic outcome 3.

57. The effectiveness of partner capacity assessments and subsequent capacity-building efforts was limited in at least one instance where a partner had limitations and insufficient technical expertise to implement some of the activities agreed to in the field level agreement. While the country office had conducted the assessment, this case highlighted the need to strengthen assessments and regular support to ensure that partners can meet project requirements effectively.

#### *Management oversight*

58. In 2024, the country office enhanced its oversight of NGO partners with a more structured approach that informed the partner risk categorization. The finance and programme teams were responsible for conducting oversight missions, increasing the number of such missions from one in 2022 to five in 2023 and 14 in 2024. At the time of the audit fieldwork, the country office was revising its standard operating procedure for management of NGO partners to strengthen due diligence by introducing cross-functional on-site assessments before contracting and adjusting the frequency of management oversight activities.

59. The frequency of management oversight missions outlined in the draft country office standard operating procedure and the fourth quarter 2024 oversight plan were not realistic given available staffing resources. While the plan initially proposed regular oversight visits, practical limitations affected its feasibility. Of the 13 projects scheduled for oversight missions in the fourth quarter of 2024, the country office could conduct only three, due to time constraints. This gap between planned and actual management oversight activities highlighted the need for a more realistic approach to resource allocation and planning.

Underlying cause(s): Resources: absence of/insufficient staff.

#### **Agreed Actions** [Medium priority]

The country office will revise the procedures for cross-functional management oversight of non-governmental organization partners, introducing a risk-based approach and taking into consideration feasibility and available resources.

#### **Timeline for implementation**

30 September 2025

## Supply chain management

60. During the audit period, the country office procured and managed 127,000 metric tons of maize and sorghum, valued at USD 43 million, on behalf of the Global Commodity Management Facility,<sup>15</sup> from which 11,000 metric tons of food commodities worth USD 9 million was procured for its own operations in Tanzania. The country office has detailed standard operating procedures in place and has recently updated its procurement-related committee memberships.

61. The country office has warehouses in seven locations in Tanzania with a total capacity of 48,000 metric tons and maintains a high utilization level. During 2024, the country office worked with 17 transport service providers. It used the tariff system to meet the transport requirements for both its operations and the corridor activities. Tonnage allocation between transporters was done by route, with the overall objective of maintaining equal allocation. The country office monitored overall cargo allocation as required by WFP's transport manual and documented justifications for any exceptions.

<sup>15</sup> The Global Commodity Management Facility is WFP's strategic financing mechanism for procuring food before country offices receive their contributions and delivering to beneficiaries with the shortest possible lead-time. The food purchased is delivered to strategic locations for it to be dispatched as soon as country offices receive cash contributions to buy it.



62. The audit reviewed food procurement sourcing, vendor selection, and contracting. It also carried out a limited review of transport and warehouse services and corridor operations. The audit also tested internal controls over commodity stocks in the country office's warehouses.

### Observation 7. Food procurement and warehouse management oversight

#### *Food procurement*

63. The country office verified its vendors against the United Nations Sanction List as commercial entities but did not include the verification of company owners. During the audit reporting phase, the country office expanded the verification to include owners, confirming no exceptions, and shared the results with the audit team.

64. There were irregularities in the performance bonds<sup>16</sup> received from food suppliers. Seven performance bonds out of 37, representing 19 percent in terms of number and value of bonds, were valid for less than 30 days beyond the contract's expiry date; four of these bonds, with a value of USD 92,000, expired on the same date as the contract, exposing WFP to third-party risks and limiting protection against non-performance after contract completion.

#### *Logistic services*

65. In 2024, the country office issued a comprehensive expression of interest for various logistic services: 90 service providers expressed their interest, out of which 20 were shortlisted after a due diligence exercise that entailed both desk reviews and physical visits.

66. Site visits to five of the seven warehouses across the country, including the port in Dar Es Salam, and sample physical inventory counts identified misalignments in one location. For reference, this warehouse represented 29 percent of the total warehouse capacity of the country office.<sup>17</sup> There were offline stock movements and mixed batches within the same stack of commodities, indicating gaps in inventory management practices. Additionally, the country office physical inventory committee did not conduct the required quarterly physical inventory count. Instead, supply chain staff carried out the counts without the participation of independent members, limiting oversight and accountability. In response, at the time of the audit fieldwork, the country office indicated that they deployed a supply chain mission to address the identified issues and strengthen the staff capacity at the warehouse. The audit work conducted did not reveal issues in other warehouses.

Underlying cause(s): Oversight and performance: insufficient oversight from global headquarters / management; Resources: absence of/insufficient staff training; and unintentional human error.

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<sup>16</sup> The corporate standard general terms and conditions of food procurement contract requires that local suppliers provide a performance bond that is valid for 30 days beyond the expiry date of the agreement or 90 days from the date of signature of the agreement whichever date is greater.

<sup>17</sup> The warehouse has a capacity of 7,000 tons, out of a total capacity of 48,000 tons available in the country office.





### **Agreed Actions** [Medium priority]

The country office will:

- (i) Implement management oversight controls over vendor verification and performance bond validity in line with corporate requirements.
- (ii) Implement management oversight controls over warehouse operations and specific capacity-strengthening activities for all warehouse personnel.
- (iii) Implement quarterly counts with independent participation and oversight from the inventory committee in all warehouses.

### **Timeline for implementation**

- (i) 30 June 2025
- (ii) 30 September 2025
- (iii) 30 June 2025

## **Common services**

67. The country office's supply chain corridor service facilitated the transportation of 169,928 metric tons of food to eight countries in the region through the port of Dar Es Salaam. This ensured efficient logistics operations, including port and border clearances, as well as cargo supervision and handling.

68. The audit carried out a tailored review of the service level agreements governing the corridor management process, and samples of transactions to assess the operational setup and overall functioning of the corridor.

69. There are no reportable observations specifically related to the provision of common services in the context of corridor management.

## **Monitoring and community feedback mechanisms**

70. The country office revised its monitoring strategy for 2024–2027 and established a dashboard to facilitate tracking of its monitoring activities. With over 1,000 active sites in 2024, the country office worked on meeting the minimum monitoring requirements and achieved a coverage of all 70 sites under activities 1 and 7, which involved direct transfers. The remaining active sites included 30 schools under Activity 4 (school feeding) and 986 villages or farms under Activity 5 (smallholder agricultural market support).

71. As part of its community feedback mechanism, the country office had two main channels for refugee-related activities: a litigation desk operated by a cooperating partner, and a WFP-operated helpdesk established in December 2024. For all other activities, the office launched a toll-free hotline in October 2024. The country office prepared regular reports with key insights from its community feedback mechanism.

72. In January 2025, the country office prepared and/or revised internal guidelines and standard operating procedures for process and outcome monitoring, distribution reports, issue escalation and its community feedback mechanism. While these efforts aimed to strengthen monitoring and community feedback mechanism processes, the audit could not assess yet their effectiveness given their recent implementation.

73. The audit reviewed the monitoring processes, including monitoring plans, tools, data quality, reporting and escalation process. In addition, it reviewed the community feedback mechanism including aspects relating to accessibility, data collection, case handling and reporting.





## Observation 8. Risk-based monitoring approach and issue escalation

### *Risk-based monitoring approach*

74. In 2024, the country office geolocated its project sites and began using corporate tools to implement a risk-based monitoring approach. A review of the tool used for the risk-based site classification and selection revealed inaccuracies in the data used to assess each criterion and errors in the risk score calculations. For example, it omitted issues reported during process monitoring and those reported by cooperating partners. This compromised the accuracy of the priority level assigned to sites.

75. Further, the country office did not use the risk-based monitoring tool to prioritize monitoring under Activity 5, which focused on capacity strengthening and covered the 986 active sites across four regions, primarily in Dodoma. With sites widely dispersed and only three field monitors assigned to this region, the country office had not monitored half of the sites in over a year. There was a missed opportunity to optimize available monitoring resources and focus on monitoring high-risk sites.

### *Escalation of process monitoring issues*

76. In June 2024, the country office transitioned from using a spreadsheet to an off-the-shelf application for escalating issues identified during process monitoring. Despite providing training to relevant WFP staff in country and field offices on the new escalation tool, the country office acknowledged that field monitors escalated relatively few issues, averaging only five per month. Additionally, there were discrepancies in case recording and in the application of the established standard operating procedures. For instance, records showed inconsistent priority level categories, missing closure dates, and cases closed without documenting the actions taken, making it difficult to assess the timeliness and effectiveness of actions taken.

Underlying cause(s): New processes/system adopted (risk-based planning and escalation tool); Process and planning: Rules and processes, including for decision making, not established or unclear (limited review of escalated issues); Resources: absence of/insufficient staff training (limited knowledge on the issue escalation process); Oversight and performance: insufficient oversight from global headquarters/ management.

### **Agreed Actions** [Medium priority]

The country office will:

- (i) Establish a structured preparation, review and update process for accurate site risk classification and implement effective risk-based prioritization of monitoring activities.
- (ii) Implement oversight controls to verify the accuracy of case recording and the effective resolution of escalated issues.
- (iii) Review and revise the training content on issue escalation to incorporate sensitization elements that emphasize its role as a constructive tool for improving programme quality; and deliver targeted training to monitoring staff and other relevant personnel to ensure consistent and effective use of the escalation system.

### **Timeline for implementation**

- (i) 30 September 2025
- (ii) 31 December 2025
- (iii) 30 September 2025



## Observation 9. Community feedback mechanism and case management

### *Beneficiary sensitization*

77. The functioning of the community feedback mechanism in refugee camps was not clear to beneficiaries. The purpose of the litigation desk, managed by the NGO partner at distribution points, was to address food distribution issues, while the WFP-helpdesk handled all other types of complaints, including protection-related issues. The distinction between the two channels and the types of complaints addressed by each were not communicated to beneficiaries. During interviews in a field visit, beneficiaries contacted confirmed to be unaware of the WFP helpdesk. The field visit also confirmed the absence of visibility and awareness materials, which limited effective sensitization. The country office prepared a sensitization plan, which at the time of the audit reporting, was yet to be implemented, mainly due to the need to obtain approval from the local authorities on the help desk communication materials.

78. At the time of the audit reporting, the country office had informed about the toll-free hotline those beneficiaries under Activity 7 and in only one project under Activity 5, which represented 12 percent of total beneficiaries assisted in 2024. The roll-out to other activities was pending. Given the monitoring constraints under Activity 5 highlighted in paragraph 75, the country office had to rely heavily on NGO partner feedback in the absence of a direct mechanism to capture and address beneficiary concerns.

### *Data quality*

79. The country office used the primary corporate tool for data collection (Mobile Operational Data Acquisition or MODA system) to record complaints from litigation desks, and the corporate customer relationship management system (SugarCRM) for complaints reported to the helpdesk and hotline. As of February 2025, approximately 9,000 complaints had been recorded, with 91 percent from the litigation desk, 7 percent from the hotline, and 2 percent from the helpdesk. Although the litigation desk received most of the complaints, the country office lacked standard operating procedures for handling such cases. Existing guidelines were primarily focused on the helpdesk and hotline procedures.

80. Further, there were data quality issues in cases recorded across available channels, such as closing dates preceding creation dates, duplicate entries, missing priority levels, and cases closed beyond established timelines. This compromised effective case management.

Underlying cause(s): External factors - beyond the control of WFP: Approval of helpdesk communication material needed from local authorities; Process and planning: insufficient planning - new processes/systems adopted; Policies and procedures: absence of relevant guidelines; Oversight and performance: insufficient oversight from global headquarters / management.

**Agreed Actions** [Medium priority]

The country office will:

- (i) Update and implement the sensitization plan for community feedback mechanisms in refugee operations under Activity 1 ensuring it includes actions to clarify the purposes of the litigation desk and helpdesk.
- (ii) Establish and implement a plan to expedite the rollout of the hotline across pending activities, considering alternative approaches to expedite the process.
- (iii) In collaboration with the non-governmental organization partner, develop and implement standard operating procedures for the litigation desk.
- (iv) Implement controls to identify and address errors in data capture and mishandling of cases across all community feedback mechanism channels.

**Timeline for implementation**

- (i) 30 June 2025.
- (ii) 31 December 2025
- (iii) 30 September 2025
- (iv) 30 September 2025



## Annex A – Agreed action plan

The following table shows the categorization, ownership and due date agreed with the audit client for all the 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	Crisis response activity scenario planning	Risk management and oversight	Country office	High	
2	Country office skills gaps and learning needs	Risk management and oversight	Country office	Medium	
3	Country office targeting strategy	Programme	Country office	Medium	
4	Identity management processes	Programme	Country office	Medium	
5	Resilience building activity implementation	Programme	Country office	Medium	
6	Non-governmental organization assessment and oversight	Non-governmental organization management	Country office	Medium	
7	Food procurement and warehouse management oversight	Supply chain management	Country office	Medium	
8	Risk-based monitoring approach and issue escalation	Monitoring and community feedback mechanisms	Country office	Medium	
9	Community feedback mechanism and case management	Monitoring and community feedback mechanisms	Country office	Medium	

## Annex B – List of figures and tables

Table 1: Direct operational costs and beneficiaries assisted in 2024..... 7

Figure 1: Areas in audit scope ..... 8

## Annex C – Acronyms used in the report

<b>CRM</b>	Customer Relationship Management
<b>GCMF</b>	Global Commodity Management Facility
<b>MODA</b>	Mobile Operational Data Acquisition
<b>NGO</b>	Non-governmental organization
<b>SCOPE</b>	System for Cash Operations and Payment Evidence
<b>UN</b>	United Nations
<b>UNHCR</b>	United Nations High Commissioner for Refugees
<b>USD</b>	United States dollars
<b>WFP</b>	World Food Programme



## Annex D – Root cause categories

### **Strategy, mandate and authority**

- Unclear direction for planning, delivery, or reporting
- Insufficient authority and/or accountability
- Strategic and operational plans not developed, approved, or not SMART

### **Process and planning**

- Rules and processes, including for decision making, not established or unclear
- Unclear roles and responsibilities
- Insufficient planning
- Inadequate process or programme design
- Inadequate risk management
- Insufficient coordination - internal or external

### **Policies and procedures**

- Absence or inadequate corporate policies/guidelines
- Absence of local policies/guidelines

### **Oversight and performance**

- Insufficient oversight from HQ /RB / management
- Insufficient oversight over third parties
- Oversight plans are not risk-informed
- Performance measures and outcomes are inadequately measured/established

### **Resources – People**

- Insufficient staffing levels
- Insufficient skills and/or competencies
- Absence of/insufficient staff training
- Inadequate succession and workforce planning
- Inadequate hiring, retention, and/or compensation practices
- Inadequate supervision and/or performance appraisal processes

### **Resources – Funds**

- Inadequate funds mobilization
- Insufficient financial / cost management

### **Resources – Third parties**

- Insufficient third-party capacity (NGO, Government, FSP, Vendor, etc.)
- Insufficient due diligence of third parties
- Insufficient training/capacity building of CP staff

### **Tools, systems and digitization**

- Absence or late adoption of tools and systems
- Inappropriate implementation or integration of tools and systems

### **Culture, conduct and ethics**

- Deficient workplace environment
- Insufficient enforcement of leadership and/or ethical behaviours



**External factors - beyond the control of WFP**

Conflict, security & access

Political - government restrictions

Funding context and shortfalls

Donor requirements

UN or sector-wide reform

**Unintentional human error**

**Management override of controls**

## Annex E – Definitions of audit terms: ratings & 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
<b>Effective / satisfactory</b>	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.
<b>Some improvement needed</b>	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.
<b>Major improvement needed</b>	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.
<b>Ineffective / unsatisfactory</b>	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**

<b>High</b>	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.
<b>Medium</b>	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.
<b>Low</b>	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: (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.<sup>18</sup>

<sup>18</sup> 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 corporate system for the monitoring of the implementation of oversight recommendations. 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 who owns the actions is informed. Transparency on accepting the risk is essential and the 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.