

Internal Audit of WFP Operations in Yemen

Office of the Inspector General
Internal Audit Report AR/25/06



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1. Executive summary

WFP Yemen Country Office

1. As part of its annual workplan, the Office of Internal Audit conducted an audit of WFP operations in Yemen. The audit focused on governance, programme implementation (beneficiary targeting, identity management, cooperating partner management and monitoring) and operations (food safety and quality, and cash-based transfers). It also performed tailored reviews of management oversight, external relations, budget and programming, human resources management, community feedback mechanisms, transport and logistics, procurement and other cross-cutting areas.
2. The Yemen Country Office sustained its operations in a complex political and operational environment – its second-largest operation worldwide – successfully assisting 8.6 million people in 2024 through the distribution of 135,683 metric tons of food and USD 39.7 million in cash-based transfers. With large parts of the operation paused for much of the year, the country office navigated a specifically complex environment, with political interests, security issues, interference attempts and obstructions. In February 2025, one WFP staff member lost his life under detention in the Sana’a-Based Authorities controlled area.
3. The audit covered the period from 1 January to 31 December 2024. In 2024, WFP's direct operational expenses in Yemen were USD 523.0 million.

Audit conclusions and key results

4. 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.
5. During the audit period, the country office strengthened its risk management and internal controls through multiple oversight and advisory reviews, developing a risk assurance road map and addressing past internal audit recommendations. WFP undertook a new programmatic direction to maximize the impact of scarce resources, including the resumption of food assistance in areas controlled by the Sana’a-Based Authorities after an eight-month pause. The country office continued safeguarding the integrity of its operations by progressing with a nationwide beneficiary targeting and registration exercise.
6. To optimize resources, the country office undertook two organizational alignment exercises. The last exercise completed in April 2025 resulted in a reduction of 40 percent of the workforce in the north. Further reductions are expected when the exercise will be conducted for the Aden Area Office during the third quarter of 2025.
7. Key stakeholders met during the audit, including donors and United Nations partner agencies, recognized WFP as a trusted partner, emphasizing its strong capacity and advocacy work, commitment to transparency, effective risk information-sharing and impactful programme implementation.



Actions agreed

8. The audit report contains 10 medium-priority observations regarding governance, beneficiary management, cash-based transfers, supply chain and food safety and quality, monitoring and community feedback mechanisms, and finance.
9. The audit identified *governance* challenges linked to the operational split between northern and southern Yemen, leading to fragmented strategies and reactive workforce planning. The country office plans to realign its structure with funding levels, improve workforce planning, and revise committee roles.
10. In *beneficiary management*, targeting and identity verification processes were inconsistent due to system fragmentation and delays in biometric data use. *Monitoring and community feedback mechanisms* also faced issues, such as inconsistent data and limited partner training. WFP will address these through improved governance, data controls, and partner capacity-building.
11. The audit noted *supply chain and delivery* weaknesses, especially cargo rejections that disrupted nutrition programmes, along with known procurement, commodity tracking, and food incident oversight issues that the country office was actively working to address. *Cash-based transfers* require improvements in reconciliation and oversight, which the country office will address by reviewing unit structures and aligning procedures.
12. *Financial processes* involving non-conventional payments showed control gaps, prompting improvements in risk management and reporting.
13. Management has agreed to address the reported observations and implement the agreed actions by their respective due dates.
14. The Office of Internal Audit would like to thank managers and staff for their assistance and cooperation.



2. Country context and audit scope

Yemen

15. Ten years after the outbreak of civil war, the situation in Yemen has evolved from a conflict and displacement-driven humanitarian emergency to a protracted multisectoral crisis. While internal conflict remained relatively subdued in 2024, the collapsing economy (shrinking by more than half since 2015) has deepened poverty, with reportedly 82.7 percent of the population living in multidimensional poverty.¹ In 2024, an estimated 18.2 million people required humanitarian assistance,² with 16.8 million facing food insecurity.³

16. The country continues to be divided into two main areas: one under the control of the Sana'a-Based Authorities (SBA), and the other controlled by the Internationally Recognized Government of Yemen (IRG). A deepening economic crisis and crumbling public services worked to deplete household assets, resilience and livelihoods. Concurrently, climate shocks affected large areas of the country.

17. As humanitarian budgets remain stretched, funding for the Yemen Humanitarian Response Plan declined in 2024 for the third consecutive year. While contributions to WFP remained close to that of 2023 (USD 610 million),⁴ funding fell far below the level needed to adequately respond to needs.

WFP operations in Yemen

18. Given the complexity and scale of the crisis, WFP classified its operations in Yemen as a level 3 emergency in 2015 and re-classified it as "corporate attention" in 2022 when WFP changed its emergency activation protocol. WFP operations in Yemen are guided by the interim country strategic plan covering the period from January 2023 to December 2025. After a budget revision in December 2024, the budget reached USD 5.7 billion over the entire period, decreasing by nearly USD 3.0 billion from the initial plan to better align operations with funding constraints and WFP's corporate shift to a more realistic budgeting approach.⁵ The overall number of beneficiaries targeted under the plan decreased by 3.4 million and transfer values were revised. This budget revision did not include operations in SBA-governed areas and was concluded on the condition that, if food assistance resumed in this area, it would be accommodated by an upward budget revision.

19. In 2024, WFP's operations in Yemen focused on a large-scale, unconditional resource transfer programme (outcome 1); provision of basic services and social safety nets to nutritionally at-risk groups (outcome 2); enhancement of the resilience of livelihoods to conflict and climate-related shocks (outcome 3); and provision of logistics, emergency, telecommunication, air transport and on-demand services to the humanitarian community (outcome 4).

20. Funding shortages, combined with the prolonged food assistance pause in SBA-controlled areas, resulted in a significant reduction in the scale and reach of WFP food assistance in 2024. The number of people assisted dropped by 44 percent from 2023, with a drastic reduction in the quantity

¹ [UNDP, A roadmap to recovery: addressing poverty in Yemen's ongoing conflict, February 2024](#)

² [Office for the Coordination of Humanitarian Affairs, Yemen Humanitarian Needs Overview, January 2024](#)

³ [Yemen Food Security and Agriculture Cluster, The 2025 People in Need and Severity Classification, November 2024](#)

⁴ [WFP Yemen, 2024 Annual Country Report](#)

⁵ [WFP Yemen Interim Country Strategic Plan 2023-2025](#)



and frequency of assistance as WFP provided less assistance and reduced rations to stretch limited resources. Overall, the amount of food distributed declined by 81 percent from 2023, with the value of the cash-based transfers provided declining by 52 percent. The country office assisted 8.6 million beneficiaries across its activities in 2024. This represented 26 percent of the Yemeni population and included more than 330,000 internally displaced persons and 1.2 million persons with disabilities. Women and girls represented half of those assisted by WFP.⁴

21. At the end of 2023, general food assistance was paused in the north of Yemen due to funding shortages and ongoing negotiations with SBA on household registration and prioritization measures. In August and September 2024, the country office conducted a geographically targeted rapid emergency response in coordination with the Food Security and Agriculture Cluster to mitigate against further deterioration of food insecurity.⁶ In August 2024, the country office resumed emergency food assistance in SBA-controlled areas (home to almost three-quarters of the food-insecure population) after an eight-month pause.

22. The country office navigated a complex operating environment characterized by competing political interests, security issues, interference attempts, obstruction and bureaucratic hurdles. While WFP advocated intensely with its donor partners to unlock the required resources, severe funding shortfalls forced WFP to strictly prioritize those most in need.

23. Internally, security incidents impacted operations, infrastructure and personnel. In June 2024, 13 United Nations (UN) staff members, including one WFP national staff member, were detained by security forces in SBA-controlled areas. Between 23 and 25 January 2025, a further eight UN staff members were detained by SBA (including seven from WFP). In February 2025, one WFP staff member lost his life under detention. In respect to major incidents in 2025 and following the UN Secretary General's statement,⁷ the UN activities in Sa'ada governorate got suspended, effective 10 February 2025.

24. Externally, in 2024, Yemen was pulled deeper into the ripple effects of the war in Gaza. As SBA forces continued their campaign of attacks against Israeli-linked vessels in the Red Sea and beyond, United States-led and Israeli forces conducted retaliatory airstrikes against targets in northern Yemen. This followed the United States re-designation of Yemen's Ansar Allah as a "foreign terrorist organization" in March 2025.

Objective and scope of the audit

25. 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 Yemen. Such audits contribute to an annual overall assurance statement to the Executive Director on governance, risk management and internal control.

26. The audit focused on Strategic Outcomes 1, 2 and 3, covering Activities 1, 2, 3 and 5 of the Interim Country Strategic Plan 2023–2025. Table 1 summarizes the direct operational costs and beneficiaries assisted in 2024 under these activities. These figures represent 86 percent of total direct operational costs, and nearly 77 percent of the beneficiaries reached in 2024.⁸

⁶ [WFP Yemen, Interim Country Strategic Plan Revision 01](#)

⁷ [Note to Correspondents: on the pause of UN operations in Sa'ada governorate of Yemen, 10 February 2025](#)

⁸ [WFP Yemen, 2024 Annual Country Report](#)

Table 1: Direct operational costs and beneficiaries assisted in 2024 for activities covered by the audit⁹

Activity and strategic outcome	Direct operational costs (USD million)	Beneficiaries
Activity 1 under strategic outcome 1: <i>Provide life-saving food assistance to food insecure households and opportunities for people to transition from relief assistance to self-sufficiency</i>	326.5	7,200,828
Activity 2 under strategic outcome 1: <i>Provide life-saving nutrition assistance to acutely malnourished people.</i>	86.3	1,509,264
Activity 3 under strategic outcome 2: <i>Provide assistance to targeted nutritionally vulnerable groups to prevent malnutrition and improve dietary intake</i>	11.8	192,248
Activity 5 under strategic outcome 3: <i>Promote early recovery and enhance livelihoods at household and community level while meeting immediate food needs of food insecure households</i>	25.9	218,274

27. In defining the audit scope, the Office of Internal Audit considered coverage by second-line oversight and other assurance providers, as follows:

- The Corporate Emergency Evaluation of WFP's Response in Yemen 2019–2024.¹⁰
- The following internal audits in 2024 covered processes and areas of interest relevant to WFP operations in Yemen: (i) security in field offices;¹¹ (ii) humanitarian access management;¹² (iii) the Regional Bureau for the Middle East, Northern Africa and Eastern Europe;¹³ (iv) consolidated insights on WFP's Global Assurance Plan; and (v) an advisory on staff wellness and mental health.
- In November 2024, the (then) Regional Bureau for the Middle East, North Africa and Eastern Europe provided an assurance oversight mission on cash-based transfers and identity management. The cross-functional teams reviewed compliance with corporate rules and regulations and identified best practices, gaps and challenges. The final report was shared with the country office in March 2025. The Office for Internal Audit considered the mission results and recommendations as necessary to inform the audit results and agreed actions.

28. The areas in the audit scope are shown in Figure 1 overleaf.

⁹ [WFP Yemen, 2024 Annual Country Report](#)

¹⁰ [Corporate Emergency Evaluation of WFP's Response in Yemen 2019-2024 - Terms of Reference](#)

¹¹ [Internal Audit of Security in Field Offices- December 2024 | World Food Programme](#)

¹² [Internal Audit of WFP Humanitarian Access Management - December 2024 | World Food Programme](#)

¹³ [Internal Audit of WFP's Regional Bureau for the Middle East, Northern Africa and Eastern Europe - December 2024 | World Food Programme](#)

Figure 1: Areas in audit scope

Full audit coverage:



Partial audit coverage:



29. The audit mission took place from 1 to 12 March 2025 at the Aden area office and programme activity sites in the Turbah and Mokha field offices (the field visits included rehabilitation and resilience sites, port, warehouses, silos and milling operations). Considering the volatile situation in SBA-controlled areas and the limited footprint of WFP staff at the time of the audit fieldwork, the audit review was performed remotely for operations in the north. The audit was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing*.



3. Results of the audit

Audit work and conclusions

30. Ten observations resulted from the audit, relating to governance, beneficiary management, cash-based transfers, supply chain, monitoring and community feedback mechanisms, and finance, containing medium-priority actions. Other audit issues assessed as low priority were discussed directly with the country office and are not reflected in the report.

Governance and management oversight

31. WFP in Yemen operates in two different contexts and operations due to the ongoing conflict and political fragmentation in the country: north and south areas have different governing bodies, regulations and security conditions, requiring tailored operational approaches. This operational complexity, in addition to the prolonged funding constraints, has impacts on workforce planning, daily operations and, in some cases, leads to unavoidable short-term approaches.

32. The country office had structured risk management processes in place, supported by an expert team composed of both international and national staff. The risk management unit consistently attended key country office management and operational meetings to ensure risks were escalated, reported and mitigated. The unit also carried out several assurance activities, comprising internal assessments in the form of advisories and oversight engagements, to support the country office on various topics such as monitoring by cooperating partners and spot checks, procurement, effectiveness of community feedback mechanisms, data retention and information technology incident prevention, and security.

33. During the audit period, the country office maintained continuous engagement with donors, supported by both regular and ad-hoc reporting and feedback. Given the volatile context in Yemen, the country office did not develop a formal partnership action plan, as such a document would require constant updates and risks becoming redundant. Instead, the country office adopted a flexible, direct approach to donor engagement, characterized by consistent communication, which was praised by the donors interviewed during the audit.

34. In April 2023, the Deputy Executive Director & Chief Operating Officer launched a Global Assurance Project to ensure that the assistance WFP provides reaches the right people, safely and without interference. This resulted in an “end-to-end” assurance framework for better-focused and more effective assurance across WFP operations. As part of this initiative, “high-risk” operations were required to complete key deliverables by the end of 2024, including a costed assurance action plan to address critical gaps as defined by the respective country office. In August 2024, WFP rolled out a tool to track country office progress across five focus areas using detailed benchmarks.

35. The audit reviewed implementation of the Yemen Country Office’s assurance action plan to ensure it was informed by a gap analysis designed to mitigate risks; costed and monitored (including implementation status and expenditure); and that issues were escalated. In 2025, the Office of Internal Audit will consolidate and report on corporate issues regarding the design and implementation of the Global Assurance Project across the high-risk country operations to be audited in 2025. Relevant aspects identified during this audit will also inform this assignment.



Observation 1: Strategy and workforce planning

36. The country office navigates its operations in the north and south of the country almost on a stand-alone basis. The need for separate coordination mechanisms increased operational complexity and funding challenges and resulted in uncoordinated teamwork, structure and strategy, as illustrated in observations related to [beneficiary management](#) and [cash-based transfers](#).

Strategic workforce planning

37. In addition to funding shortfalls, constant changes in the country office's operating environment made it difficult to adapt the office's structure effectively to evolving programme requirements. The country office's past rightsizing efforts in 2024 were reactive rather than based on a proactive and detailed strategic workforce planning process, largely due to time and budgetary constraints, and shifting operational priorities.

38. At the time of the audit fieldwork, the country office was conducting another organizational alignment, with the aim of reducing the workforce for its operations in the north by approximately 50 percent. Due to time-sensitive funding constraints and competing priorities, this exercise was primarily focused on reviews of units, skills and budget, without any time to run a comprehensive analysis of operational needs and the adequacy of workforce size, skillsets and backgrounds.

39. Ongoing staffing cuts increase the risk of key personnel dependency and the loss of institutional knowledge.

Implementation of the assurance action plan

40. The Yemen Country Office designed its assurance action plan at a total cost of USD 24.4 million, or approximately 6 percent of projected total operational costs in 2024. Limited corporate guidance and tools were available to track and report on the use of this budget and tracking remained a manual process, with reported data granularity not intended for in-depth variance analysis and oversight. The Office of Internal Audit has already raised this issue at the corporate level.

41. In the absence of further corporate guidance, the country office reports on the Global Assurance Project as a unified operation. However, the significant differences between the north and south contexts (see [paragraph 31](#)) create challenges in ensuring a consistent and meaningful assurance framework.

42. Multiple competing priorities and financial constraints have prevented reassessment of the Global Assurance Project assumptions, including budgeting strategies, which have not been reviewed since the second quarter of 2024. For example, the initial budget for the Global Assurance Project was estimated at USD 17.0 million for one-off costs related to the targeting and registration exercise in the north. This budgeted amount included full rollout of the plan to 17 additional districts in the north. At the time of the audit fieldwork, the pilot had been successfully completed in three districts, but the exercise had been paused due to recent events (detention and death of WFP staff, stop order from the United States and severe funding constraints). The lack of reassessment risks misalignment with operational realities and possible underreporting of issues or delays. Issues noted are reported in the specific process area section.



Resource management

43. The country office held regular and functional resource management and pipeline committees in 2024. However, the committees' terms of reference need to be updated to ensure activity managers holistically manage the resources within and between activities. Despite a needs' revision, the country office did not revise its implementation plan to reflect the realistic funding and operating outlook (the programme was on pause in the north, and fundraising efforts were severely hampered). On average, expenditure levels remained at 56 percent of implementation plan in 2024. At the time of the audit fieldwork, implementation shortfalls for the interim country strategic plan stood at 40 percent (USD 1.2 billion), and the associated planned costs were higher than those required for the revised needs. The country office generated the surplus in the associated costs to maintain the existing office structure until finalization of the cost reduction exercise and to finance the targeting and registration exercise.

44. With the implementation plan set too high, the resource management committee monitored expenses against planned costs rather than the actual funding (current budget). This approach led to weak budgetary control, for some categories, such as cooperating partner costs, assessment and monitoring costs, and food transfer costs.

45. At the time of audit reporting, the country office was adjusting its implementation plan by 33 percent in response to the 2025 corporate management plan exercise.

Underlying cause(s):

<i>Policies and procedures:</i>	Absence or inadequacy of local policies or guidelines
<i>External factors beyond the control of WFP:</i>	Conflict, security and access Funding context and shortfalls

Agreed Actions [Medium priority]

The country office will:

- (i) Review their structure in line with funding availability and conduct a workforce planning exercise when relevant.
- (ii) Update the terms of reference of the resource management and pipeline committees.
- (iii) Regularly revise the implementation plan to shift resource monitoring from planned costs to the expected level of resources.

Timeline for implementation

30 June 2026



Beneficiary management

46. With the support of the Government, the country office runs the Integrated Food Security Phase Classification analysis in IRG-controlled areas. Due to interference, time and security constraints, the Food Security and Agriculture Cluster in Yemen ran the “people in need – PIN” analysis as a one-off exercise in 2024 in SBA-controlled areas.¹⁴ The country office also systematically produced after-action impact assessments over the audit period.

47. In line with its augmented assurance plan,¹⁵ the country office maintained its focus on the nationwide beneficiary re-targeting and registration exercise for its 13.0 million general food assistance beneficiaries from 2023 (about 9.5 million beneficiaries in the north and 3.5 million in the south). In SBA-controlled areas, the vulnerability-based targeting strategy was operationalized in July 2024 through the completion of a targeting and registration pilot in three districts. In IRG-controlled areas, WFP completed the beneficiary registration data update exercise for 3.6 million existing beneficiaries in April 2024 and began a phased reduction of the caseload in December 2024, to prioritize the most vulnerable among its existing caseload.

48. The country office continued using a combination of standard SCOPE solutions¹⁶ and supplementary offline spreadsheets to support its beneficiary management processes. During the audit period, the country office assisted 8.6 million beneficiaries, 4.5 million of which were registered in SCOPE. The remaining beneficiaries—primarily those supported through Nutrition and School Feeding programmes—were registered and assisted using offline spreadsheets, as these operations are not yet fully digitalized.

49. In November 2024, the country office requested support from the Regional Bureau for the Middle East, North Africa and Eastern Europe, ahead of the formulation of its new interim country strategic plan to conduct a comprehensive review of existing identity management and cash-based transfer processes. At the time of audit reporting, the report and recommendations were being finalized. The audit reviewed key controls related to needs assessments, targeting, prioritization and identity management.

¹⁴ “People in need” refers to individuals experiencing acute food insecurity or employing extreme coping strategies for survival. According to the [IPC severity classification system](#) (Phases 1 to 5), populations classified in Phase 3 or higher are deemed in need of food and livelihood assistance.

¹⁵ The WFP Yemen Country Office Augmented Assurance Plan was implemented as part of WFP’s Global Assurance Project, designed to ensure that the right people receive the assistance they need, safely, in full and without interference.

¹⁶ WFP’s beneficiary information and transfer management platform. The Yemen Country Office has set up two separate SCOPE environments for SBA-controlled areas and IRG-controlled areas.



Observation 2: Targeting strategy

Sana'a-Based Authorities-controlled areas

50. Since 2019, the country office has made several attempts to minimize inclusion and exclusion errors and launched various pilots for targeting and biometric registrations. In December 2023, WFP suspended general food assistance for 9.5 million people in SBA-controlled areas due to prolonged negotiations with the authorities to address outdated beneficiary lists and funding challenges. The authorities accepted a technical agreement for an evidence-based targeting exercise¹⁷ in three districts through biographic registrations (biometric registration was not allowed by the SBA). The country office considered the pilot successful in August 2024 and at the time of the audit fieldwork, had drafted an agreement with the authorities to roll out the biographic registrations to all 221 districts by August 2025.

51. To fast-track this pilot exercise and subsequent rollout, the country office established a stand-alone targeting and registration unit, reporting directly to the deputy country director of operations. The structure (over 50 employees in total were planned should the rollout start) drove planned implementation costs up, which the country office incorporated into various donor funding proposals. A targeting working group was informally established to report to the deputy country director on a weekly basis. The overall governance, communication and reporting on the exercise lacked consistency and formalisation.

Internationally Recognized Government-controlled areas

52. The Aden Area Office structure mirrors that of the country office, with a dedicated targeting and registration unit (similarly also covering identify management and SCOPE functions). A beneficiary update process started in the first half of 2023, by cleaning the existing beneficiary lists from 2018, along with data collection for the updated vulnerability indicators (designed by the research, assessment and monitoring unit based in the Aden area office). While general food assistance remained operational (unlike in SBA-controlled areas), in 2024, operational guidance on prioritization was developed by leveraging a data-driven analysis for self-registration targeting approach, which aimed to reduce inclusion errors. A collaboration agreement to rollout the guidance was signed with the central authority in May 2024, focusing on sensitization, advocacy and communication with communities and district and governorate-level authorities.

53. The 2024 "prioritization" exercise (aiming to reduce the number of beneficiaries from 3.6 million to 2.5 million) was concluded by the area office mid-2024 to only 3.4 million beneficiaries as the phase 1 of the exercise faced backlash from several governorates and communities and security hurdles, and included a high percentage of inclusion and exclusion errors (as identified by the area office's research, assessment and monitoring unit).

54. In November 2024, the Aden Area Office reactivated a cross-functional targeting and prioritization task force (which was initially set up in March 2023 and the documents for which not adequately maintained). The purpose of the taskforce was to address the issues of exclusion and to ensure the most vulnerable are targeted. The task force developed a new targeting approach, based on lessons from the previous prioritization exercise, to be piloted in two districts in 2025, emphasizing robust community engagement. The new approach was risk-assessed, with mitigation measures designed at the area-office level.

¹⁷ Two targeting approaches were used: open registration based on specific inclusion and exclusion criteria, and community-based lists (later discarded).



Underlying cause(s):

<i>Organisational direction, structure and authority:</i>	Insufficient accountability (technical units)
<i>Process and planning:</i>	Inadequate risk management (of fragmented governorates in IRG-controlled areas and insufficient sensitization of the communities)
<i>External factors beyond the control of WFP:</i>	Conflict, security and access Political – government restrictions Donor requirements (to fast track the targeting; strategy)

Agreed Actions [Medium priority]

The country office will establish a centralized targeting and prioritization working group with representation from the area offices as need be, formal terms of reference and systematic documentation of decisions.

Timeline for implementation

31 December 2025

Observation 3: Identity management and adjudication

55. In Yemen, managing identity and transfer processes for general food assistance is complex. While the country office made good progress registering beneficiaries in SCOPE — in both areas controlled by the SBA and IRG — the use of multiple systems, including offline spreadsheets, made identity verification and data consistency difficult. The Regional Bureau and Risk Management Unit have provided oversight, leading to several recommendations. Implementing these will require significant effort and resources and could strain operations if not properly prioritized. Table 2 shows the number of beneficiaries by identity management system used.

Table 2: Beneficiaries registered in SCOPE and spreadsheets in 2024 for activities covered by the audit

Activities	SCOPE	Spreadsheets
General food assistance		
- In-kind beneficiaries (100 percent registered with biographic information and offline transfer management)	2.7 million	
- In-kind and cash-based transfers beneficiaries (100 percent issued SCOPE cards with 58 percent registered with biometrics and the remaining with biographic information)	1.8 million	
Nutrition activities		1.7 million
Livelihood activities	0.2 million	
Other activities (school feeding; not audited)		1.5 million
Total Beneficiaries	4.7 million	3.2 million



Biometrics and biographic registrations

56. The country office committed to biometric registration under its 2023–2025 plan but lacked authority approval in both SBA and IRG areas. In areas under the IRG, WFP continued its efforts in collecting biometrics where possible and engaged with the various governorates in that regard. As of the audit fieldwork, 5 percent (55,035) of biometric records in the Aden office were duplicates, pending adjudication. The 2022 internal audit of WFP operations in Yemen¹⁸ recommended developing a contingency and risk management plan to strengthen internal controls and mitigate the risks to beneficiary information management if biometric registration could not proceed in the north or resume in the south. As of the audit fieldwork, this action had not yet been implemented.

57. The use of biographic data to deduplicate records in SCOPE began in 2024: while guidelines were available for deduplication, the adjudication process for biographic registrations was not documented. The Office of Internal Audit could not review the process for biographic deduplication and identification of anomalies due to the absence of systematic and accessible audit trails of the lists of potential duplicates sent to cooperating partners for adjudication and eventual resolution by the programme.

Source and reliability of beneficiary identities, and data quality

58. The country office recognized three unique beneficiary identifiers (IDs) in SBA areas and five in IRG areas based on the recent targeting and registration exercises. Audit testing of the SCOPE systems identified that there are still seven active IDs in SBA areas (9,592 beneficiaries with multiple IDs) and around 70¹⁹ in IRG areas (28,679 beneficiaries with multiple IDs, 4,264 beneficiaries with no ID at all). These active IDs collected in the SCOPE systems are based on the pre-existing databases which require review and verification by the country office. In 2024, the country office risk management unit carried out a review of the beneficiary identity management process for IRG-controlled areas and recommended the deduplication and review of dummy beneficiaries as a high priority.

59. While the country office registered 3 million beneficiaries in IRG-controlled areas for general food assistance during the audit period, SCOPE contained over 5 million active beneficiaries. The country office did not have standard operating procedures and did not produce the required data quality and maintenance reports, which summarize any changes recorded in beneficiaries' personal and household information, and any potential impact on programme design. While periodic beneficiary verification reports were produced, there was no systematic process to track and address ineligible cases (e.g., recurring no-shows).

Access rights and segregation of duties

60. Staff profiles and access rights in SCOPE were not documented and the allocation of roles and responsibilities across technical and programmatic units (to ensure adequate segregation of duties) were not defined. Audit testing revealed segregation of duty issues for some SCOPE users in terms of registration, enrolment and distribution processes.

¹⁸ [Internal Audit of WFP operations in Yemen - October 2022 | World Food Programme](#)

¹⁹ 70 identity document types are active in the SCOPE system for IRG-controlled areas.



In-Kind transfer management

61. Implementing WFP assurance processes in SBA-controlled areas faced challenges due to restrictions on electronic devices; only high-security laptops were permitted, limiting the use of SCOPE at distribution points. The Aden Area Office plans to pilot SCOPE for digitizing general food assistance in 2025 in districts completing the targeting exercise.

Privacy impact assessment

62. Following the 2022 internal audit recommendation, the country office conducted privacy impact assessments for general food assistance (in-kind and cash-based) and related monitoring and feedback in both SBA and IRG-controlled areas in 2023 and 2024, respectively.

63. The June 2023 assessment in SBA areas used outdated 2018 data, limiting its coverage of the full data life cycle. It lacked a clear timeline for risk mitigation and did not assign responsibilities.

64. The December 2024 assessment in IRG areas was not reviewed by the global privacy officer. As of April 2025, the Aden Area Office has begun a new assessment aligned with global headquarters standards.

Underlying causes:

<i>Policies and procedures:</i>	Absence or inadequacy of local policies and/or guidelines
<i>Oversight and performance:</i>	Insufficient oversight from headquarters
<i>External factors beyond the control of WFP:</i>	Conflict, security and access Political – government restrictions

Agreed Actions [Medium priority]

The country office will:

- (i) Establish comprehensive standard operating procedures for the end-to-end identity management, reflecting operational constraints. Include a contingency plan to strengthen controls and mitigate the risks to beneficiary information management where biometric registration cannot be implemented.
- (ii) In coordination with the WFP Global Privacy Office, develop dedicated privacy impact assessments that include high-risk activities in the country, with clear timelines and accountabilities, including a review and validation of recommendations from previous assessments.

Timeline for implementation

31 December 2026



Management of cooperating partners

65. Cooperating partners include local and international non-governmental organizations, government entities and UN agencies which support WFP in implementing its programmes. In 2024, the country office engaged 34 cooperating partners to carry out its programmatic activities.

66. The audit examined the country office's governance structure for cooperating partner management, the selection and onboarding process, management of field-level agreements, reporting, invoicing, spot-checks²⁰ and performance evaluation. Based on audit sample testing,²¹ no issues were identified to suggest that the country office management of cooperating partners was ineffective or lacked supporting documentation. In October 2024, the risk management unit performed oversight of the spot-check process for cooperating partners, which provided recommendations to enhance existing standard operating procedures on the follow-up of spot-check results and to formalize the use of these results in partner performance evaluations and selection processes.

67. There were no reportable audit observations in cooperating partner management.

Cash-based transfers

68. In 2024, the total cash-based transfer value amounted to USD 39.7 million, distributed to 1.5 million²² beneficiaries. Ninety-seven percent of the cash was delivered to beneficiaries as cash-in-hand (in envelopes), and the remaining 3 percent was distributed via commodity vouchers. In IRG-controlled areas, SCOPE has been rolled out to manage beneficiary lists and payment instructions, which are then transferred to financial service providers for the implementation of general food assistance and resilience activities. In SBA-controlled areas, the cash-based transfer process was managed using Excel spreadsheets outside of SCOPE, although the beneficiaries themselves are registered in SCOPE.

69. The audit leveraged the regional bureau assurance oversight mission conducted in November 2024, which led to seven high-priority and nine medium-priority areas for improvement in the management of cash-based transfers. As of April 2025, work was in progress to address these priority areas. The audit tested critical controls in cash-based transfer processes and systems, including governance, set-up and delivery.

²⁰ Spot checks are a key oversight tool used by country offices to ensure cooperating partners comply with field-level agreements and use resources appropriately. They seek to verify that funds provided to the cooperating partners by WFP are well accounted for by accurate financial records relating to the activities performed by the cooperating partners.

²¹ A risk-based sample of 10 cooperating partners was selected, considering factors such as financial exposure (total purchase order value), partner type (local, international, or governmental), operational scope (e.g., crisis response, resilience), and geographic coverage (northern and southern regions). From this sample, 18 FLAs were chosen for detailed audit testing based on review requirements, focusing on key partner management controls.

²² [Annual Country Report 2024 - Yemen](#)



Observation 4: Cash-based transfers

Governance and modality selection

70. The country office had not established a dedicated cash-based transfers team or identified qualified staff to manage the key functions and roles related to cash-based transfer operations. Therefore, responsibility for cash-based transfers was spread between different units, with each activity manager in charge of some aspects, limiting the country office's knowledge and capacity. This resulted in fragmented and unclear roles and responsibilities for implementing cash-based transfer activities.

71. During the audit period, the country office 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. It met seven times between January and December 2024. Its membership had been reviewed and updated in February 2024 to reflect staff departures. Attendees were not indicated in the minutes, limiting the spread of information and follow-up on decisions taken by the committee.

72. The country office did not complete all strategic assessments to support the choice of modality and set-up for cash-based interventions. Modality selections and the risks associated with cash-based transfers were not discussed in most of the meeting minutes reviewed, and the choice of modality appeared to be mostly donor-driven (as confirmed by structured interviews held with key donors).

Set-up and reconciliation

73. Contracts with two financial service providers were signed in 2018 and 2019 and have undergone three extensions each. The same financial service providers were re-contracted through a waived process in 2022 and extended until March 2025. Eight of 11 extensions were signed after the contract's expiration date. The country office launched a request for proposals for financial service providers in June 2024 (the new contractual agreements have been finalized in May 2025).

74. Without an up-to-date standard operating procedure, roles and responsibilities for performing reconciliations were not clearly established and the country office had not developed scenarios for resolving discrepancies. The monthly aggregated report that should be endorsed by the country director or a delegated authority was not in place.

Underlying cause(s):

<i>Process and planning:</i>	Rules and processes, including for decision making, not established or unclear Unclear roles and responsibilities
<i>Resources - People</i>	Inadequate succession and workforce planning Insufficient staffing levels (lack of timely staffing capacity assessments) Insufficient skills and/or competencies (limited knowledge and capacity on cash-based transfers)



Agreed Actions [Medium priority]

The country office will:

- (i) Review the structure of the cash-based transfers unit (including staff skills assessment).
- (ii) Review and align the standard operating procedures for cash-based transfers with the WFP Cashbook guidelines for beneficiary verification, enrolment, cycle management, payment instruments, reconciliation and reporting (including detailed scenarios for discrepancies between the WFP's system redemption report and the financial service provider distribution report).

Timeline for implementation

30 June 2026

Supply chain management

75. The country office supply chain function encompasses procurement, food safety and quality, and logistics operations. The audit reviewed key controls across these areas, including procurement procedures, logistics contracting and execution, commodity management, port and milling activities, and food quality and safety processes. Field visits were conducted in IRG-controlled areas, while operations in SBA-controlled areas were assessed remotely due to security constraints. The country office manages two distinct supply chain and logistics operations under a centralized contracting, governance and oversight framework, coordinated at the national level in Sana'a.

76. During the audit period, food procurement amounted to USD 243 million, with 7 percent representing local food purchases, 5 percent international (carried out by headquarters on the country office's behalf), 42 percent from donors and 45 percent through WFP global commodity management facility purchases. Good and services procured by the country office amounted to USD 22 million, of which USD 7 million was waived procurement.

77. As of 31 December 2024, the country office held 80,313 metric tons of food compared to 18,000 metric tons in 2023, stored in 14 WFP outsourced warehouses and silos. In 2024, the country office recorded a 30 percent increase in food losses from 1,719 metric tons in 2023 to 2,231 metric tons in 2024 (largely attributable to upstream food rejections by Yemen quality control authorities). In-country milling operations continued to operate at a high standard, with near real-time milling and dispatch from silos and milling operators directly to final distribution points, which ensured minimal storage of milled commodities in WFP warehouses, as well as the delivery of freshly milled food to beneficiaries.

78. The warehouse utilization rate in 2024 for the Aden and Sa'ana area offices averaged 37 percent and 17 percent respectively. This was partly due to the country office holding extra capacity as a contingent measure for any disruptions in the Red Sea and Gulf of Aden. Given the high cost of warehouses and warehouse management in the country, considerations were made during the second quarter of 2025, to assess redundant capacity and establish more on-demand, scalable capacity arrangements as contingency measures.

79. In 2024, the country office faced significant food safety and quality issues, which presented substantial reputational, programmatic and financial risks.



Observation 5: Cargo rejection

80. Between January 2022 and April 2025, the country office reported 31 incidents through the corporate system used to track food and packaging safety and quality issues.²³ These involved the rejection or flagging of various WFP food commodities entering Yemen by the Yemen Standardization and Metrology Organization, affecting a total of 23,248 metric tons valued at USD 31.5 million—out of a total of 1,054,871 metric tons imported during the same period. The reasons for rejection and subsequent handling varied across cases—some required full rejection and re-export, while others allowed for in-country reconditioning, with WFP deeming the food reconditionable in some instances. These incidents have had a direct impact on WFP programmes, including Nutrition and School Meals.

81. In October 2024, Yemeni authorities rejected 1,795 metric tons of lipid-based nutrient supplements²⁴—representing 21 percent of the 8,412 metric tons of nutritious food received in the north that year, due to visible damage and infestation identified during container inspections. These commodities, sourced through WFP's Global Commodity Management Facility, had an estimated value of USD 7.1 million.²⁵ The rejection resulted in pipeline breaks that extended into 2025, affected over 140,000 malnourished children, and caused reputational damage. This incident compounded ongoing challenges, as the country office had already scaled down its nutrition prevention and treatment programmes in 2024 due to funding constraints. It also reflected broader, recurring food quality issues observed in 2023 and 2024, including rejections of other commodities such as oil, wheat flour, date bars, and specialized nutritious foods—often linked to stringent national food safety standards and operational shortcomings in procurement, packaging, and shipping processes.

82. The following shortcomings were identified, cumulatively resulting in the rejection:

- The review of the external superintendent report and inspection reports showed deficiencies including infestation with insects, unpleasant smell, poor stacking, broken boxes with signs of leakage, improper box assembly and labelling, lack of shrink wrapping inside some boxes, handwritten product details all stemming from the way commodities were handled at the port of origin in Mombasa.
- Stock was exposed to high temperatures during an extended transit period²⁶—over 72 days from loading in Mombasa.
- While insurance mechanisms exist to reimburse the country office for damaged commodities, there is a lack of clarity on the process and timing for redistributing reconditioned stocks—either by resending them to the country office or reallocating them to other WFP operations—so that the country office can secure funding for additional purchases.
- Information-sharing and escalation: no corporate coordination mechanism exists to address such a rejection, leaving the country office to liaise directly with multiple internal stakeholders (global commodity management facility, Kenya port office, shipping, supply

²³ Food Safety & Quality RINGS system reports

²⁴ Nutriset's Ready-to-Use Supplementary Food product with a shelf-life of 24 months, purchased on 5 July 2024, halfway through its shelf-life.

²⁵ The stock was moved to Djibouti for reconstitution. Progress communication indicates that a much lower value of 2.4 metric tons of the 1,795 metric tons was found to be damaged, and plans were under way to have the sound stock utilized internally or externally.

²⁶ As anticipated given the challenging sea conditions in this region.



chain management). While corporate stakeholders had, in some cases, initiated lessons learned and cost analysis, they were not relayed to the country office in a timely manner. Consequently, the Yemen Country Office has not been able to fully update the Yemen regulatory authorities and provide them with a comprehensive incident report.

- Delayed coordination of the next steps following the rejection to reconstitute and salvage some stock: at the time of the audit fieldwork in March 2025, efforts to complete reconstitution and remediate measures were still ongoing, with stock due to expire in July 2025. The process resulted in high reverse logistics costs (estimated at USD 387,000) in attempts to salvage the stock.

Impact on supply chain and downstream operations

83. The cargo rejection led to the following reputational, programmatic and financial impacts for the country office:

- Documentary evidence²⁷ showed that the incident impacted WFP's reputation with the regulatory authorities in Yemen, increasing tensions and threat levels.
- The cargo rejection severely disrupted the moderate acute malnutrition treatment programme in northern Yemen, leaving 147,770 children under five without essential nutrition support each month from November 2024 to March 2025. With upwards of a 57 percent stock shortfall, moderate acute malnutrition services across approximately 1,800 health facilities were halted, heightening the risk of severe acute malnutrition and worsening child health outcomes.
- The cargo rejection and rerouting led to a funding gap of USD 7.1 million in food costs and an additional USD 387,000 in reverse logistics costs. At the time of the audit fieldwork, the unit responsible for bearing these reverse costs had not yet been determined; however, reconstitution efforts in Djibouti established that only 2.4 metric tons of the 1,795 metric tons were defective.

84. Previous arrangements were already in place between the Yemen Country Office and the WFP Supply Chain and Delivery Division; returning to such arrangements would certainly limit the risks of incidents. These arrangements entailed that all specialized and nutritious food directed to Yemen would only be procured from Europe (as was the case for this consignment) and directly shipped to Yemen, with no intermediate transshipment locations (whenever it made sense from a logistical and lead-time standpoint).

Underlying cause(s):

<i>Policies and procedures:</i>	Absence or inadequate corporate policies/guidelines
<i>Process and planning:</i>	Inadequate process or programme design (global commodity management facility compensation mechanisms not in place; ineffective cargo post-incident management)
<i>Oversight and performance:</i>	Insufficient oversight from country office management (ineffective oversight at Mombasa Port)

²⁷ Report on the Findings of the Committee tasked with inspecting the WFP Plumpy Sup Consignment available in Hodeida Port, issued in December 2024 by the Yemen Standardization and Metrology Organization



<i>Resources – People:</i>	Insufficient skills and/or competencies Inadequate staff training (commodity management at Mombasa port)
<i>External factors - beyond the control of WFP:</i>	(Shipping delays due to maritime hazards in the region)
<i>Unintentional human error</i>	(Inadequate cargo loading at Mombasa port)

Agreed Actions [Medium medium]

- 1) The country office will develop a preparedness plan for the resumption of food commodity imports. The plan will draw on lessons learned from past incidents and include strategies to engage with the Yemeni regulator, maintain and strengthen relationships, and outline refresher training and capacity-building activities for relevant stakeholders, to be implemented when conditions permit.
- 2) For its operations at the Mombasa port, the Kenya Country Office will:
 - (i) Reassess staffing capacity and competencies for effective management of port operations.
 - (ii) Conduct periodic refresher training, oversight and continuous improvement programmes to address recurring food safety and logistics challenges.
 - (iii) Hold superintendent and third-party teams accountable by using incidents as part of their performance-based assessments and contractual obligations.

Timeline for implementation

- 1) 30 June 2026
- 2) 31 December 2025

Observation 6: Food procurement strategy and micro-purchases

85. During the audit period, the country office maintained updated rosters for food suppliers and goods and services vendors through expressions of interest for all types of vendors. The country office held regular vendor management and local procurement contract committees and maintained procurement plans for goods and services (including mid-term review), as required by corporate guidelines.

Food procurement strategy and market assessments

86. The country office did not finalize the food procurement strategy for the interim country strategic plan 2023–2025 due to various external and internal factors. The food procurement plan for international purchases, the GCMF demand planning, is provided by the country office and updated on a quarterly basis upon headquarters' request. A local food procurement plan and food supplier agreements were not established. The country office's approach was based on avoiding local market disruptions and value chains adhering to the "do no harm" principle and the ability to prefinance purchases via the GCMF. Accordingly, food procurement remained reactive to purchases made by the GCMF and relied on local markets only in cases of potential pipeline breaks after approval from the



authorities. The most recent price and market assessments of the food market were conducted in early 2023. The country office procured Immediate Response Rations, high-energy biscuits and vegetable oil exceeding the international price parity threshold of 20 percent, ranging between 22 and 64 percent. For the sample tested, the country office justified these purchases based on urgent needs.²⁸

Micro-purchase orders

87. Despite the absence of comprehensive standard operating procedures for micro-purchase orders,²⁹ the procurement unit regularly reviewed the micro-purchase orders in 2024 and produced quarterly assurance statements documenting any lapses as per corporate guidance. The total value of micro-purchase orders in 2024 reached USD 379,870. Of this amount, 43 percent was allocated to general food assistance, while 33 percent was used for direct support costs. In 2025, the country office developed a new standard operating procedure in consultation with the country office risk management unit to address country-specific procurement challenges and assign responsibilities to the creators of micro-purchase orders and the procurement unit. The standard operating procedure lacked preventive controls for micro-purchase orders (including training).

Underlying cause(s):

<i>Strategy, mandate and authority:</i>	Strategic and operational plans not developed, approved, or not SMART
<i>Policies and procedures:</i>	Absence of local policies and guidelines

Agreed Actions [Medium priority]

The country office will:

- (i) Develop a comprehensive food procurement strategy that documents contextual challenges and opportunities based on food market and price assessments.
- (ii) Conduct mandatory training sessions on compliance, risk management and ethical procurement practices for the releasers of micro-purchase orders.

Timeline for implementation

31 March 2026

²⁸ In specific cases (such as donor conditions, recipient country restrictions, or emergency pipeline requirements), WFP allows purchases above import parity with proper programmatic justification, while considering potential market disruptions and value chains, adhering to the “do no harm” principle.

²⁹ Micro (low-value) purchase orders are issued by WFP offices to purchase goods and services for less than a total value of USD 5,000 to minimize the cost and administrative burden associated with low-value purchases and to shorten the overall procurement cycle.



Observation 7: Commodity tracking

88. Commodity tracking and traceability remain a key mitigation measure against the risk of food diversion in Yemen. For this control, the country office relies on two commodity monitoring tools, namely the Holistic Tracking System³⁰ and the corporate Last Mile Solution tool.³¹ Due to restrictions in SBA-controlled areas on the use of global positioning system-enabled technologies (such as the ones used in the Last Mile Solution), the country office developed the Holistic Tracking System, which is currently used countrywide alongside the Last Mile Solution in the south.

89. Utilization rates for the Last Mile Solution in IRG-controlled areas remained low, indicating that a significant component of food dispatched in 2024 was not confirmed as received under the Last Mile Solution, with monthly averages as low as 30 percent. Utilization rates for government cooperating partners were even lower: the Ministry of Education and Ministry of Public Health and Population had average utilization rates of 25 percent and 0 percent, respectively. These low rates are primarily attributed to persistent internet connectivity issues and broader infrastructure weaknesses, which continue to hinder real-time data reporting and confirmation at the final delivery points.

90. The Holistic Tracking System continued to provide a reliable alternative to the Last Mile Solution in Yemen, despite the significant delays in confirming receipt of commodities at both the cooperating partner and transporter levels. With government cooperating partners not completing the final leg of their commodity receipts (the status remained “ongoing” as far back as January 2024), 799 waybills had an “ongoing” status as of March 2025. Similar to the Last Mile Solution, these delays mainly occurred at the government cooperating partner level and were partly attributed to delays in capturing data by the different parties. At the time of the audit fieldwork, the country office planned to (i) carry out a bulk confirmation of all unconfirmed deliveries for January–December 2024, based on verified cooperating partner distribution reports; (ii) clear the backlog; and (iii) organize training sessions for cooperating partners to improve the process.

Underlying cause(s):

<i>Process and planning:</i>	Insufficient planning (low warehouse utilization in 2024 due to planning uncertainty)
<i>Resources - third parties:</i>	Insufficient third-party capacity (high staff turnover for cooperating partners and loss of trained personnel)
<i>External factors - beyond the control of WFP:</i>	Conflict, security and access (Internet connectivity challenges) (Lack of internet-enabled devices for government cooperating partners)

³⁰ The Holistic Tracking System is an end-to-end tracking tool developed by the Yemen Country Office for commodity tracking, without requiring global positioning system technology.

³¹ WFP's Last Mile Solution is a corporate digital platform designed to enhance visibility, traceability and accountability in the delivery of humanitarian assistance.



Agreed Actions [Medium priority]

The country office will enhance the effective use of the Holistic Tracking System and Last Mile Solution by cooperating partners through a combination of targeted and ongoing training, adoption of available offline functionalities, and establishment of clear enforcement mechanisms—such as data reconciliation processes and accountability clauses in field-level agreements—to ensure consistent system use across food distribution points, including in low-connectivity areas.

Timeline for implementation

31 March 2026

Observation 8: Food incident management

91. The country office food safety and quality team was centrally positioned within the supply chain unit, supported by quality control service providers at ports and silos. The food safety and quality team carried out monitoring through country office programme teams and third-party monitors. Despite these efforts, food safety and quality issues continued to pose significant risks to operations, especially considering the stringent regulatory oversight enforced by the Yemen Standardization and Metrology Organization.

Food incident management committee and annual assessment plans

92. The food incident management committee, mandated to meet at least annually to review incident trends and recommend risk mitigation actions, did not convene in 2024. While no incidents were officially classified as "critical," several major incidents occurred (including pipeline breaks) that had substantial operational impact and potential downstream risks to beneficiaries. These incidents warranted escalation and formal review under the committee's protocols.

93. Although staffing of the food safety and quality team expanded in 2023, implementation of the annual food safety and quality assessment plan remained limited in 2024 due to persistent access restrictions and the scale of the operation. No technical food safety and quality missions or assessments were conducted in 2024, apart from an ongoing assessment of milling capacity at the Aden silo.

Oversight and management of food quality incidents

94. A review of the 2024 incident management register recorded only 18 food quality-related incidents, primarily occurring upstream (from pre-shipment to WFP-managed warehousing). A parallel review of the programme monitoring tracker revealed 185 additional food quality-related issues. These were managed at the field level by monitoring teams, with no escalation to the food safety and quality unit for assessment or verification. As a result, these incidents were not formally logged in the RINGS system (the corporate platform for food safety and quality incident tracking and response) thereby limiting the ability of the food safety and quality team to ensure resolution quality and monitor systemic trends.



Underlying cause(s):

<i>Process and Planning:</i>	Rules and processes, including for decision making, not established or unclear
<i>Resources – people:</i>	Insufficient skills and/or competencies
<i>External factors - beyond the control of WFP:</i>	Conflict, security and access

Agreed Actions [Medium priority]

The country office will:

- (i) Develop a food safety and quality annual coverage plan covering key upstream and downstream areas, and ensure checks are performed either by the food safety and quality team or other checkers under country office oversight.
- (ii) Reinforce the governance and functionality of the food incident management committee to allow for a structural review and to address food safety and quality issues.

Timeline for implementation

31 March 2026

Monitoring and community feedback mechanisms

95. The volatile security situation in Yemen prevents WFP from accessing some areas of the country. To overcome access challenges, the country office relies on third-party monitors. To implement monitoring activities, the country office enforced the "no monitoring, no distribution" policy which further improved delivery assurance.

96. The country office contracted a specialized call centre operating from Amman (Jordan) to conduct remote calls for outcome post-distribution monitoring. In 2024, 11,833 WFP beneficiaries were randomly selected to obtain information on the selection process, cross-cutting and outcome levels. The number of beneficiaries contacted was significantly lower than the 114,000 calls made in 2023 due to the pause in general food assistance in the north.

97. In addition to on-site monitoring, WFP Yemen performs beneficiary verification through its Sana'a-based centre. The aim is to validate that beneficiaries have received their full entitlements as per the food distribution procedure and standards. In 2024, WFP made 26,448 beneficiary verification calls.

98. The community feedback toll-free hotline was established in 2016. The number of calls increased from 242,000 in 2023 to more than 427,000 in 2024.

99. The audit reviewed the monitoring structure, planning, coverage of activities, mechanism for tracking and escalating monitoring, and community feedback cases.

Observation 9: Monitoring and community feedback mechanisms

Monitoring

100. The review of the monitoring unit governance revealed that reporting lines for field monitors were inconsistent, undermining the effectiveness and reliability of the monitoring process in three sub-offices.

101. The country office had developed risk-based monitoring plans: in 2024, third-party monitors completed around 10,100 field visits, or 73 percent of the planned on-site monitoring visits for the year, and WFP directly monitored approximately 2,050 (covering 59 percent of the planned visits). The country office used an Excel-based coverage log and Tableau dashboards to track and report on monitoring coverage. This manual process was prone to errors: some inconsistencies were noted (inaccurate name of cooperating partners to implement specific activities, absence of code or naming convention for the sites and date of visits not updated). In cases where a site was visited multiple times, no deduplication process was in place, giving a distorted image of the coverage.

102. While a survey was completed in MoDa (Mobile Operational Data Acquisition: WFP's primary tool for data collection), helping staff make evidence-based decisions) for each monitoring visit, in the absence of a naming convention for all sites in Yemen, 16 percent of surveys recorded in MoDa could not be matched to their corresponding site.

Community feedback mechanisms

103. In some sites visited, the cooperating partners' community feedback hotline number was disclosed together with the WFP hotline number, giving WFP no visibility over the complaints reported directly to cooperating partners. Cooperating partners acted as a helpdesk and focal point for complaints but demonstrated limited training and awareness of community feedback mechanism procedures, affecting their ability to manage and resolve complaints. The community feedback mechanism standard operating procedure had not been updated to reflect current practices.

104. At the end of 2024, 26 percent (52,650) of community feedback mechanism cases remained open: 13,135 (25 percent) of the cases related to the targeting and registration exercise. Of the open cases, 15,655 (30 percent) were high priority, among them 15,000 cases (96 percent) had been open for over 90 days. The testing showed that the resolution of high-priority cases took an average of 17 days. The country office produced monthly reports on community feedback mechanism cases, but with limited analysis on hotline cases at the field-office level.

Underlying cause(s):

<i>Policies and procedures:</i>	Absence or inadequacy of local policies/guidelines
<i>Process and Planning:</i>	Inadequate process or programme design (limited quality control review of cases)
<i>Resources – People:</i>	Insufficient staffing levels
<i>Resources – Third parties:</i>	Insufficient third-party capacity (non-governmental organizations, government, financial service providers, vendors etc.)



<i>Tools, systems and digitization:</i>	Inappropriate implementation or integration of tools and systems (manual coverage process and absence of a standard naming convention for all sites)
<i>External factors beyond the control of WFP:</i>	Conflict, security and access (security situation limiting monitoring visits) Political – government restrictions and contextual challenges (interference by authorities in the north)

Agreed Actions [Medium priority]

The country office will:

- (i) Review reporting lines for field monitors to ensure alignment with monitoring guidelines.
- (ii) Enhance and correct the manual monitoring dashboard, where necessary, and establish a standardized naming convention to improve data consistency.
- (iii) Reinforce training of cooperating partners on community feedback mechanisms and ensure that the cooperating partner hotline number is not disclosed simultaneously with the WFP hotline number.
- (iv) Update the standard operating procedures for community feedback mechanisms (including roles matrix and management of open cases) and implement:
 - a. Country office risk management unit recommendations related to the prioritization of cases and determining a target rate for the resolution of open cases.
 - b. A quality control review of community feedback mechanism cases (including precise definitions and classification of cases).

Timeline for implementation

31 December 2025

Point (i) of the agreed action was implemented by the country office prior to issuance of the audit report.

Finance

105. Economic competition between the SBA-controlled areas in the north of Yemen and the IRG in the south has led to the fragmentation of key economic state institutions, such as the central bank, which has been split into two separate entities with autonomous currencies and monetary policies.

106. In SBA-controlled areas, recurring liquidity shortages prevented people and businesses from accessing bank deposits. In IRG-controlled areas, limited government revenue drove the continuous depreciation of the Yemeni rial, leading to rapid increases in the price of essential food items.³²

107. Finance was outside the scope of the audit; nonetheless, the testing performed on cash-based transfers prompted the audit to raise an observation on the use of non-conventional payment processes.

³² [Annual Country Report 2024 - Yemen](#)



Observation 10: Non-conventional payments

108. Due to the complex operating environment in Yemen, the country office relied on non-conventional cash management processes to facilitate payments to individuals and certain vendors who either lack access to formal banking services or face significant constraints in cash accessibility. Typically, a country office would manage such payments through a cash payment services contract established with a banking partner under the United Nations General Terms and Conditions. In 2024, the country office established new distinct agreements with financial service providers, originally established for cash transfers to beneficiaries, to facilitate cash transfers of USD 16 million to third parties such as government officials (health workers or teachers) and some vendors such as security guards, and electricity or telecommunication companies.

109. This payment method has been in place for several years, and the country office initiated an oversight mission from the Regional Bureau for the Middle East, North Africa and Eastern Europe for support and involved headquarters technical functions (Legal and Chief Financial Officer Division) in the clearance for these payment processes. This practice introduced risks that were not fully addressed, such as:

- **Financial:** The competitive procurement process to select the financial service providers for delivering non-conventional payment services carried out in 2022 was inconclusive. As a result, the decision was made to waive the process and continue with the provider previously selected for cash-based transfers. The contract was annually renewed since and no evidence related to the selection of the second provider was provided (refer to [Observation 4: Cash-based transfers](#)).
- **Operational:** The country office developed several guidance documents to operationalize these contractual obligations and provide staff with implementation instructions. These documents now need to be consolidated and updated to address emerging risks where relevant, and subsequently reviewed and approved by country office management
- **Reputational:** The majority of the payments (approximately USD 11 million of USD 16 million) related to incentives paid to government officials. The Office of Internal Audit found that no clear corporate guidance exists on such payments, despite this being a long-standing practice in other WFP operations. At the country office level, no specific risk assessment had been conducted for these payments.
- **Financial reporting:** In certain cases, the types of purchase orders used by the country office to support the payments to government officials were not aligned with corporate guidance and corresponding accounting frameworks. Insufficient planning and oversight resulted in some purchase orders being waived. This may have affected the financial data reported in the Annual Country Report.

Underlying cause(s):

<i>Policies and procedures:</i>	Absence or inadequate corporate policies/guidelines
<i>External factors beyond the control of WFP:</i>	(Low levels of financial inclusion in Yemen) (Delays or absence of payments by local government to staff)



Agreed Actions [Medium priority]

- 1) The country office will strengthen related standard operating procedures and controls for non-conventional cash payments (financial service provider segregated account, delegation of authority, approvals).
- 2) The country office, with the support of the headquarters Chief Financial Officer Division, will undertake an analysis of the non-conventional cash payments and prepare a detailed report on the 2025 purchase orders, assess whether the appropriate accounting framework was used by validating each setup and associated risks, and amend financial reports in alignment with headquarters if necessary.

Timeline for implementation`

- 1) 31 December 2025
- 2) 31 December 2025

Workplace and management

Wellness

110. The audit performed limited testing on the management of wellness within the country office to assess the role of and implications for management in navigating a difficult context. At the time of the audit fieldwork, the country office was enduring multiple external pressures and operational difficulties. In SBA-controlled areas, the situation remained difficult for staff, with the detention of national staff in 2024, followed by further detentions in early 2025 and the subsequent death of a national staff member in detention in February 2025.

111. The country office began a new round of organizational alignment in early 2025, with the aim of further reducing the workforce in the north, which inevitably impacted staff morale.

112. The country office's wellness team comprised an international staff counsellor and a medical national officer. Constant communication was established among the functions, in addition to the wellness committee and country office senior management practicing an open-door policy. The country office highlighted the support of the Regional Bureau for the Middle East, North Africa and Eastern Europe in this regard.

113. There were no reportable audit observations in wellness management.

Gender balance within the workplace

114. The audit performed limited testing on gender management within the country office, focusing on hiring practices and the overall office environment. Yemen itself ranked second-to-last in the Women, Peace and Security Index 2023/24 in terms of women's inclusion, justice and security.³³ At the end of 2024, the country office's workforce included 239 females (200 national employees and 139 international), which represented 28 percent of total employees. In SBA-controlled areas, the mahram practice (male guardian) has been strictly enforced since early 2022, limiting the participation of women in humanitarian work, which further reduced the possibility for national

³³ [Women, Peace and Security Index 2023/24](#)



female staff to attend training outside the country, participate in field visits or apply for other positions within WFP externally.

115. The country office has continued its efforts towards gender equality over the past few years, developing an internship programme by actively recruiting talent from universities. At the time of the audit fieldwork, the country office was undergoing another round of organizational alignment, with a strong focus on maintaining gender balance and ensuring minimal loss of female employees.

116. There were no reportable audit observations on gender equality management at the WFP workplace.



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	Strategy and workforce planning	Governance and management oversight	Yemen Country Office	Medium	30 June 2026
2	Targeting strategy	Beneficiary management	Yemen Country Office	Medium	31 December 2025
3	Identity management and adjudication	Beneficiary management	Yemen Country Office	Medium	31 December 2026
4	Cash-based transfers	Cash-based transfers	Yemen Country Office	Medium	30 June 2026
5	Cargo rejection	Supply chain management	Yemen Country Office Kenya Country Office	Medium	1) 30 June 2026 2) 31 December 2025
6	Food procurement strategy and micro-purchases	Supply chain management	Yemen Country Office	Medium	31 March 2026
7	Commodity tracking	Supply chain management	Yemen Country Office	Medium	31 March 2026
8	Food incident management	Supply chain management	Yemen Country Office	Medium	31 March 2026
9	Monitoring and Community Feedback Mechanisms	Monitoring and community feedback mechanisms	Yemen Country Office	Medium	31 December 2025
10	Non-conventional payments	Finance	Yemen Country Office	Medium	31 December 2025



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Annex C – Acronyms

GCMF	Global Commodity Management Facility
ID	Beneficiary Identifier
IRG	Internationally Recognized Government of Yemen
MODA	WFP's primary tool for data collection, helping staff make evidence-based decisions
SBA	Sana'a-Based Authorities
SCOPE	WFP's beneficiary information and transfer management platform
UN	United Nations
USD	United States dollars
WFP	World Food Programme



Annex D – Root cause categories

Organisational direction, structure and authority

- Unclear direction for planning, delivery, or reporting
- Insufficient authority and/or accountability
- Strategic and operational plans not developed, approved, or not SMART
- Inadequate or unclear organizational structure affecting roles, reporting lines, or accountability

Policies and procedures

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

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

Oversight and performance

- Insufficient oversight from global headquarters 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

- Insufficient enforcement of leadership and/or ethical behaviours



External factors - beyond the control of WFP

- Conflict, security and 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

- 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 need major improvement to provide reasonable assurance that the objectives of the audited entity/area should be achieved. Issues identified by the audit could negatively affect the achievement of the objectives of the audited entity/area. Prompt management action is required to ensure that identified risks are adequately mitigated.
Ineffective / unsatisfactory	The assessed governance arrangements, risk management and controls were not adequately established and not functioning well to provide reasonable assurance that the objectives of the audited entity/area should be achieved. Issues identified by the audit could seriously compromise the achievement of the objectives of the audited entity/area. Urgent management action is required to ensure that the identified risks are adequately mitigated.

- 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: (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.³⁴

- **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.

³⁴ 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.