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Internal Audit of WFP Operations in Lebanon

Office of the Inspector General
Internal Audit Report AR/25/14



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I. Executive summary

WFP in Lebanon

1. As part of its annual work plan, the Office of Internal Audit conducted an audit of WFP operations in Lebanon. The audit focused on governance, including strategic partnerships and performance, risk management and oversight; external relationships, partnerships and advocacy; and programme delivery from design and implementation, to monitoring and community feedback mechanisms. It included tailored reviews of other processes such as resource management, operations and gender equality in the workplace.
2. In 2024, the Lebanon country office operated WFP's largest cash-based transfer operation and contributed to strengthening national systems and frameworks, particularly in the area of social protection.
3. The audit covered the period from 1 January 2024 to 31 March 2025. For the year 2024, WFP's direct operational expenses in Lebanon amounted to USD 349 million, reaching approximately 2.3 million beneficiaries.

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. The audit report includes one high- and six medium-priority actions.

Positive findings

6. The country office demonstrated agility and flexibility in responding to the various shocks that occurred in the country during the period under audit.
7. The WFP response to the protracted Syrian refugee emergency benefitted from long-established processes and systems and close collaboration with the United Nations High Commissioner for Refugees (UNHCR), with joint procurement and reliance on each agency's systems for beneficiary verification and money transfer.
8. The country office focused on mitigating the risks highlighted in the previous audit, e.g. third-party risks, foreign exchange losses and manual process steps. Mature cash processes and controls supported service provision to the Government as part of the World Bank-funded social safety net. Adopting a dual currency arrangement and expanding the country office's cash redemption network with money transfer operators mitigated the financial risks linked to the liquidity crisis.
9. Further, in responding to the conflict and ceasefire at the end of 2024, the country office leveraged the national social protection system, which it had helped the Ministry of Social Affairs to strengthen with support on data collection and establishing a call centre for beneficiary feedback. After being tested during the scale-up, the national safety net system was also leveraged by the larger humanitarian community.



10. Stakeholders recognized WFP's key role and position in the humanitarian community. Donor trust in its delivery capability resulted in the lifting of earmarked funding in favour of unrestricted cash during the emergency scale-up in October 2024.

Areas for improvement – in logical order of intervention

11. **Long-term financial sustainability:** Funding fluctuation resulted in breaks and delays in the assistance provided. Because of the projected reduction in funding, stakeholders expect long-term sustainability and prioritising programmatic activities and strategies. Given the changing donor landscape, the country office should update and proactively implement its resource mobilization strategy.

12. **Beneficiary management:** The lack of a unique identifier complicated beneficiary identification and deduplication processes, particularly to assist vulnerable Lebanese and during the emergency scale-up. While the country office leveraged national social safety nets, it had limited visibility on the data and process steps managed externally. Clearer corporate guidance is required regarding risk tolerance and definition of expected controls and information flows, to strengthen reliance on existing national systems and improve the visibility of potential issues, without creating parallel system.

13. **Partner management:** The country office should formalize its continuous support to the Government of Lebanon through a comprehensive country capacity strengthening strategy. For emergency preparedness, the country office leveraged its partners network for delivery of both in-kind and CBT assistance and signed no-cost stand-by agreements with existing partners to maintain readiness and quickly response to conflict scale-up. Yet this created some gaps in agreements and in the identification of risks and applicable controls. To strengthen preparedness and guide partners selection in future emergencies, the country office should re-assess its partners' base.

14. **Monitoring and Community feedback mechanism:** The country office has a monitoring strategy and monitoring planning is risk-based. Tracking and reporting are managed through spreadsheets, leading to inconsistencies. To detect and manage feedback and issues, the office used multiple data sources. Data fragmentation hinders quality reviews and trend analyses. Community feedback and monitoring data limitations need addressing as a matter of high priority.

15. Further, no case was considered a 'possible misconduct' - which points to limited awareness and possible under-reporting, and many cases were closed without a reported resolution. In addition, case closure timelines in the Global Assurance Project benchmarks are misaligned with the corporate technical guidance, which was issued later. Action in addressing these issues is urgent.

16. **Digital systems:** The country office used versions of corporate systems customized for local needs (e.g. SCOPE, SugarCRM) and local (spreadsheet) databases and tools, rather than standard corporate solutions. There was no formal cost-benefit analyses undertaken to justify this approach. The benefits of using standardised, secure and cost-effective corporate digital solutions should be thoroughly assessed through joint country office and headquarters interventions.

17. **Procurement:** The country office should enhance its ability to comprehensively assess market capacity and competitiveness, through conducting structured market assessments, and identifying and prequalifying potential suppliers of food, goods, and services, especially during emergency scale-ups.

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



II. Country context and audit scope

Lebanon

19. Once an upper-middle-income country, multiple, compounding crises have caused severe hardship to vulnerable populations across Lebanon, aggravating existing imbalances, inequalities, vulnerabilities, and risks. Between 2015 and 2023, Lebanon fell from 67 to 102 place on the Human Development Index.¹ In 2024, it ranked 154 out of 180 countries in the Corruption Index, with a significant decline in recent years.²

20. Lebanon hosts the most refugees per capita and per square kilometre in the world. More than 12 years after the start of the Syrian crisis, the impact on Lebanon's social and economic stability remains significant, while the economic crisis has aggravated the deprivation faced by those refugees.

21. Decades of financial mismanagement and weak governance culminated in an unravelling of the financial system and rising socioeconomic grievances, and a sharp deterioration in the value of the Lebanese pound (by 211 percent against the USD in 2021) in a context of high import dependency resulted in soaring inflation.³

22. The escalation of hostilities in September 2024 resulted in the destruction of infrastructure and partial interruption of supply chains, and severely exacerbated food insecurity in the country. The conflict caused the death of 2,867 people, over 13,000 injuries,⁴ and the mass displacement of an estimated 1.3 million people, many of whom have fled multiple times. Up to 840,000 people were estimated to be internally displaced, hosted among communities or in one of over 1,130 shelters across Lebanon. Some 469,000 people were estimated to have fled across the border to Syria.⁵

23. According to the most recent humanitarian assessment,⁶ despite the November 2024 ceasefire, approximately 1.17 million Lebanese residents, or Syrian and Palestinian refugees continue to experience high levels of acute food insecurity, with around 55,000 people classified in IPC Phase 4 (Emergency), and 1.1 million people in IPC Phase 3 (Crisis). The situation is mainly driven by the prolonged impact of conflict, continued displacement, and the reduction of humanitarian food security assistance.

24. Lebanon has a sectarian power-sharing system. A new president was elected in January 2025, after a two-year vacuum. New general elections are scheduled for May 2026.

¹ [hdr2025reporten.pdf](#)

² Six positions since 2019. Source: [Corruption Perceptions Index 2024 - Transparency.org](#)

³ Gross domestic product contracted by 58 percent in 2021, while between 2019 and 2022 the consumer price index increased by 771 percent and the food price index by more than 3,000 percent. Source: Lebanon country strategic plan (2023-2025)

⁴ Source: LEBANON: Flash Update #40 Escalation of hostilities in Lebanon (31 October 2024) <https://reliefweb.int/report/lebanon/lebanon-flash-update-40-escalation-hostilities-lebanon-31-october-2024>

⁵ Lebanon Country Strategic Plan (2023-2025) – Revision 02 – November 2024

⁶ [Lebanon: Acute Food Insecurity Situation for April - June 2025 and Projection for July - October 2025 | IPC - Integrated Food Security Phase Classification](#)



WFP operations in Lebanon

25. WFP's operations in Lebanon are guided by its country strategic plan covering the period from 1 January 2023 to 31 December 2025. After two budget revisions, the total budget has reached USD 3.2 billion for the entire period. During the audit period, WFP's operations in Lebanon have focused on assistance to crisis-affected people, including refugees, and to extremely poor Lebanese through national safety net programmes and WFP provided in-kind assistance; school meal programmes, integrated resilience and area-based livelihood support; provision of technical expertise, capacity strengthening and policy advice to enhance government capacity;⁷ and on-demand services, including resource transfer services to the government and other partners.

26. The country office was planning a budget revision to extend its 2023-2025 Country Strategic Plan by two years to align it with the United Nations Sustainable Development Cooperation Framework (UNSDCF) for Lebanon.⁸ At the time of audit fieldwork, the budget revision process was ongoing for approval by November 2025, in line with the WFP corporate delegation of authorities.

27. Under Outcome 1 of the Country Strategic Plan in 2024, WFP provided lifesaving assistance to 1.7 million vulnerable people through cash-based transfers and in-kind food. This included: in-kind assistance to 169,000 vulnerable Lebanese; cash assistance to 1 million Syrian refugees to help them meet food and other basic needs, emergency food assistance to 431,000 Lebanese affected by the conflict and 99,800 households displaced from Syria after the political changes in December 2024. The cash-based assistance to refugees was managed in close coordination with UNHCR via a common card system. Funding fluctuations required WFP to revise the composition of the food basket and, following a retargeting exercise, prioritise assistance.⁹ Provision of emergency food assistance was delivered through hot and cold meals, food rations and bread to newly displaced Syrians, internally displaced people and returnees following the November 2024 ceasefire.

28. Outcome 2 focuses on the inclusion of vulnerable people in national safety nets.¹⁰ In 2024, WFP supported the Government of Lebanon in providing cash assistance to 413,000 vulnerable Lebanese families under the National Poverty Targeting Programme (NPTP).¹¹ As a result of funding constraints, NPTP assistance reduced from January 2024 and terminated in June 2024. In October 2024, some of the families who received NPTP assistance, were integrated into the Emergency Social Safety Net (ESSN) and the Shock-Responsive Safety Net (SRSN) that WFP had piloted earlier in the year in response to the conflict escalation. Through the SRSN, WFP reached 237,000 vulnerable Lebanese.¹² The country office also implemented the first Lebanon school meal

⁷ This included building national capacity in adaptive social protection and sustainable food systems.

⁸ The UNSDCF was also extended to allow for a holistic review of the UN country set-up and frameworks. At the time of audit fieldwork, the UN set-up in Lebanon reflected the Lebanese Response Plan, endorsed in 2024, as an integrated humanitarian and stabilization response to the country's challenges and the Reform, Recovery and Reconstruction Framework as a collaborative and strategic [partnership](#) between the Government of Lebanon, the civil society and the international community to respond to Lebanon's national reform challenges and to unlock investments in reconstruction.

⁹ As described in the 2024 Lebanon Annual Country Report.

¹⁰ This activity is interlinked with the technical assistance provided under strategic outcome 4, Activity 5 "Provide technical expertise, capacity strengthening and policy advice to enhance Government capacity", totalling USD 3.4 million expenditures in 2024.

¹¹ This was also planned to merge with the ESSN for which WFP provides services under strategic outcome 5.

¹² These included approximately 11,400 households previously assisted under WFP in-kind assistance to vulnerable Lebanese people, unreachable due to access or security challenges.



programme and supported the upgrade of school kitchens for cold storage and cold meal production with local sourcing through WFP-contracted retailers.

29. Outcome 3 focused on supporting people who are vulnerable to economic and climate shocks to have more resilient livelihoods. In 2024, WFP provided food assistance for assets and training to 23,000 Lebanese and Syrian refugees.

30. Under Outcome 4, WFP provided technical expertise, capacity strengthening and policy advice to enhance government capacity, particularly for national social safety nets.¹³ This included the integration of NPTP and ESSN and the establishment of a call centre, as grievance and redress mechanism, operated under the Ministry of Social Affairs (MoSA) umbrella since September 2024.

31. Outcome 5 focused on on-demand services, including resource transfer services. Through the Government-led ESSN programme, funded by the World Bank, WFP transferred USD 80 million to almost 800,000 vulnerable Lebanese.¹⁴

WFP's organizational redesign and funding context

32. In the second half of 2023, WFP conducted a review of its organizational structure. Following this exercise, in October 2024, WFP announced adopting a "one integrated Global Headquarters" model to ensure better support to country offices and to consolidate the delivery of key enabling services via a network of global hubs. It came into force on 1 May 2025.

33. In February 2025 and in response to the 90-day pause in a donor's foreign development assistance, WFP emphasized the implementation of cost-efficiency measures in view of projected donor forecasting and the overall widening resource gap.

34. 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 for country and regional directors and global functions. It establishes a support structure with a defined chain of command and explicit accountability, aiming to ensure flexibility and operational efficiency.¹⁵

35. 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 of 25-30 percent, potentially impacting up to 6,000 roles across all locations, divisions and levels in the organization.

36. The results of this audit, and specifically the agreed action plans, should be read in the context of these organizational changes.

Objective and scope of the audit

37. 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 Lebanon. Such audits

¹³ Other areas include school feeding programmes, market price monitoring and consumer protection, and food systems.

¹⁴ During the audit period, the country office activated and led the logistics and the telecommunication clusters, while aviation services were prepared but not activated.

¹⁵ WFP Management Accountability Framework, March 2025.

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

38. The audit focused on implementation of activities 1, 2 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 94 percent of total direct operational costs and 96 percent of the beneficiaries reached in 2024.¹⁶

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

Activity	Direct Operational Costs (USD millions)	Percentage of total	Beneficiaries (millions)	Percentage of total
Activity 1: Provide unconditional assistance to crisis-affected people in Lebanon, including refugees.	197	56 %	1.6	70 %
Activity 2: Provide unconditional cash transfers to extremely poor Lebanese through the national safety net programmes	49	14 %	0.6	26 %
Activity 7: Provide on-demand services, including resource transfer services, to Government and other partners.	82	23 %	0	0 %
Sub-total: activities in the audit's scope	328	94 %	2.2	96 %
Other activities not in the audit's scope	21	6 %	0.1	4 %
Total country strategic plan in 2024	349		2.3	

39. To effectively use resources and avoid duplications, the audit approach and coverage considered: (i) the relevant evaluations conducted or ongoing at the time of audit fieldwork;¹⁷ and (ii) the work and results of relevant internal audits completed in 2024 and 2025.¹⁸

40. Figure 1 below shows the areas in the scope, as identified in the audit engagement plan.

Figure 1 - **Process areas in audit scope - Full audit coverage**



¹⁶ Source: WFP.go

¹⁷ Including: the evaluation of the National Poverty Targeting Programme Jan 2019 – June 2024 issued in Oct 2024 (docs.wfp.org/api/documents/WFP-0000160917/download/); the UNHCR/WFP Joint Action for Multipurpose Cash Assistance in Lebanon (2019–2021) issued in February 2023 ([Joint UNHCR/WFP Evaluation](#)); the [Evaluation of the EU MADAD Project: "Strengthening safety nets in Lebanon to support the most vulnerable Lebanese and Syrian refugees" | WFPgo](#) and the impact evaluation of Targeting Humanitarian Assistance in Lebanon.

¹⁸ Including the Internal Audits of: [Financial Service Provider Management](#) (AR/25/03), [Security in Field Offices](#) (AR/24/19), [WFP Humanitarian Access Management](#) (AR/24/21), [WFP's Regional Bureau for the Middle East, Northern Africa and Eastern Europe](#) (AR/24/23).

Figure 2 - **Process areas in audit scope - Partial audit coverage**

41. The audit mission took place from 19 to 30 May 2025 at the country office in Beirut. It included visits to in-kind distribution sites, beneficiary verification and card distribution sites, a retailer and a cash agent in Tripoli and Akkar, under the Qbaiyat field office. The draft report was issued on 11 July 2025 and final written client comments were received on 11 August 2025.

42. The audit was conducted in conformance with the Global Internal Audit Standards issued by the Institute of Internal Auditors.



III. Results of the audit

Audit work and conclusions

43. Seven observations resulted from the audit relating to governance, risk management, external relationships, programme design and implementation, monitoring and community feedback mechanisms, and operations. Other audit issues assessed as low priority were discussed directly with the country office and are not reflected in the report.

Governance, risk and external relationships

Organizational structure

44. In 2023 and 2024, the country office conducted an organizational realignment to adapt its staffing structure to projected operational needs and anticipated funding reductions, and re-engaged former employees to strengthen its capacity during the scale-up phase. Subsequent to the ongoing budget revision and WFP corporate efficiency measures, at the time of the audit fieldwork the country office's staffing structure and profiles had yet to be assessed.

Risk management and the augmented assurance plan

45. The country office was among the 31 high-risk operations which were required to implement the global assurance project (GAP).¹⁹ At project inception, the country office prepared a high-level costed action plan, based on the assumption of an already robust internal control system. Detailed actions were not defined and updated along the evolution of the GAP and its guidance, including remaining necessary actions at project completion. The Office of Internal Audit has already raised a corporate issue regarding the evolution of the GAP and realignment of assurance actions with the achievement of standards in 2024.²⁰

46. The audit reviewed country office activities related to the country strategic plan and its strategic agreements, the fundraising strategy, action plan and overall engagement with partners. The Office of Internal Audit also consulted relevant counterparts within the UN and humanitarian community, government entities and major donors. It reviewed the implementation of GAP benchmarks, including status reporting and escalation. Issues noted, additional to the paragraph above, are reported in the specific process area section.

¹⁹ As part of the WFP Global Assurance Framework initiative launched in 2023, 31 operations were identified as "high-risk" and were required to complete key deliverables, including a costed assurance action plan to address critical gaps as defined by the country office by the end of 2024.

²⁰ Consolidated Insights on the Global Assurance Project was issued in December 2024. The External Audit report to the financial statement of the WFP for the year ended 31 December 2024 reviewed the project and highlighted, among other findings and recommendations, the need for a long-term approach to identifying and mitigating all relevant risks and gaps.



Observation 1. WFP positioning and capacity strengthening activities

Operational context and portfolio of activities

47. During the audit period, the country office operated its regular programme of assistance, which relied on long-standing, structured systems and processes, and responded to the needs of the 2024 conflict, rapidly scaling up to assist 400,000 emergency-stricken beneficiaries.²¹ The country office leveraged the national social safety nets, which it had contributed to strengthening with various initiatives, particularly the establishment of a community feedback mechanism and tools and training for social workers to collect beneficiary data.

48. In a fluid and complex political and operational context, with protracted and recurring crises of various scales, coupled with ongoing and projected funding reduction, there is an opportunity to streamline and reprioritize activities.²² During the audit reporting phase, the Lebanon Donor Cash Forum presented the results of a joint mission, with recommendations to various actors.²³ Those specific to WFP and UNHCR for joint refugee assistance related to prioritizing the most vulnerable Syrian refugees for more sustainable assistance; revisiting targeting and prioritization strategies, including consideration of informal income and coping strategies; and exploring opportunities to simplify targeting and align the process with national social safety nets. The country office discussed the report with UNHCR and donors for clarification on targeting that adhered to the humanitarian principles and for funding flexibility to ensure stable assistance.

49. As part of its budget revision, the country office was reviewing the way forward and potential areas of intervention.

Country capacity strengthening activities

50. WFP signed agreements (a memorandum of understanding and two technical agreements) with MoSA for various activities, including targeting, with defined expected implementation deadlines. Some activities were successfully delivered; others were not performed or delayed. The country office explained that this situation originated from the memorandum of understanding (not identifying potential areas of cooperation), as well as in other actors' delays or decisions, as well as multiple unsuccessful attempts to support targeting strengthening for the national safety net programmes.

51. A formal framework of responsibilities and accountabilities of relevant parties, including inter-dependencies and regular progress monitoring and reporting mechanisms, was not yet in place for all activities, to ensure timely detection, escalation and resolution of issues. The country office indicated that such a framework is planned as part of future revisions to the memorandum of understanding with MoSA.

²¹ 2024 Lebanon Annual Country Report. The country office reported assisting 805,000 individuals in the emergency scale-up period in 2024 and 2025.

²² This also included areas of potential government capacity strengthening support and joint regional programmes; the country office reported having started conversations with relevant counterparts.

²³ Ranging from coordination within humanitarian assistance, cash assistance, with the national Social Protection Framework and donors, to modality selection, prioritization and linkages with social protection and wider inter-actors deduplication.



External stakeholders and funding

52. The United Nations set-up in the refugee response – where WFP operates in a supporting role²⁴ – increases the complexity of donor relations management. During the period under review, funding fluctuations resulted in pipeline and operational breaks and delays.

53. Yet donors praised WFP's delivery capacity, particularly in responding to the various shocks, and highlighted the trusted relationship that allowed for flexibility in the earmarking of contributions during the emergency period. Further, the country office was generally reported as responsive and collaborative, particularly in terms of ad-hoc requests.

54. At the same time, donors reported to the audit team concerns about lack of clarity of some programmatic aspects and decisions – including operational expansion for the emergency, and concerns about long-term sustainability in a context of projected funding reduction, envisaging possible scenarios. Some also mentioned the benefit of more simplified communication and streamlined meetings.

55. In 2025, the country office updated its partnership strategy and activity plan, and during the audit fieldwork, reported that it was working on a prioritized, detailed plan to consolidate and expand its donor base.

Underlying cause(s):

<i>Organizational direction, structure and authority</i>	Strategic and operational plans not developed, approved, or not SMART
<i>External factors – beyond the control of WFP</i>	Funding context and shortfalls

Agreed Actions [Medium priority]

The country office will:

- (i) Formalize a country capacity strengthening strategy to cover the remaining period of the country strategic plan and, leveraging on the agreements with MoSA and for those activities to be implemented, establish a framework of responsibilities and accountabilities, including interdependencies, progress monitoring and escalation mechanisms.
- (ii) Update its resource mobilization strategy to reflect shifts in the donor landscape and articulate and prioritize measures to implement the strategy and strengthen donor engagement.

Timeline for implementation

- (i) 31 December 2025
- (ii) 31 December 2025

²⁴ UNHCR holds the mandate to lead and coordinate refugee responses, while other UN agencies provide sector-specific support such as food, health, and education. [International Coordination Architecture | UNHCR](#)



Observation 2. Systems in use and adoption of standard corporate solutions

56. During the period under review including drafting this report, the Lebanon Country Office has used customised versions of corporate solutions or local solutions in various operational areas, as detailed below.

WFP Beneficiary information and transfer management platform

57. The Lebanon Country Office operates a separate instance of WFP's beneficiary information and transfer management platform (SCOPE) because the functionalities needed to support the operational set-up for card management were not supported by the corporate version of SCOPE at the time of initial implementation. This remains the only separate instance of SCOPE in use across the organization. While both run the same code and benefit from identical functionalities and upgrades, the Lebanon version is hosted on a separate infrastructure and maintains an independent database, which diminishes the benefits associated with corporate systems²⁵ and hinders efficient oversight as well as risk management.

58. The WFP Technology Division (TEC) assessed whether the country office should transition to the global SCOPE version and decided not to proceed as an alternative solution to replace SCOPE was being sought concurrently. The assumptions and outcomes of these assessments had yet to be formally documented. This decision also impacts the transition from the customised version of the feedback management system SugarCRM used in the Lebanon Country Office to the standard corporate version (refer to Observation 5).

59. The country office was planning to pilot the SCOPE solution for in-kind functionality by the end of 2025. For in-kind distribution, the Lebanon Country Office SCOPE only contained information on household heads. To support assistance delivery, the country office maintained a parallel local database with the full beneficiary dataset.²⁶ This resulted in incomplete visibility in SCOPE. At the time of the audit fieldwork, in coordination with headquarters, the country office had initiated efforts to register all in-kind family members in SCOPE. At the time of finalizing this report, the process remained incomplete due to technical challenges.²⁷

The Retailer Operations and Contracting system

60. The country office had not adopted the Retailer Operations and Contracting (ROC) system²⁸ because the office considered that it had limited functionalities, applicability and adjustability in the specificities of the Lebanon context, operational set-up and structure. Discussions about ROC implementation took place with corporate units in 2020, without a common position being reached.

²⁵ These include centralized maintenance, immediate application of security fixes, built-in access management and application controls, enhanced data quality through centralized validation, oversight, support and data-driven insights through unified dashboards.

²⁶ The country office reported that, in February 2025, a mission from the regional office assessed the possibility of transitioning to the corporate Modern Data Platform, to enhance data processing capabilities, promote system reusability, align with corporate standards, and harness advanced technologies.

²⁷ This issue had been raised in the past and tests on this functionality were ongoing during the audit reporting phase.

²⁸ The tool was developed to manage and streamline retail operations and provides end-to-end management of retailers involved in WFP assistance delivery from selection and onboarding to contract management and performance monitoring (including sanctions management). It maintains a centralized database of contracted retailers with all relevant documentation. Go.wfp.org.



61. Instead, the country office relied on a combination of tools, including: the corporate Contract Management System for contracting; the Retailer Performance Monitoring and Evaluation dashboard for analytics; spreadsheet files for sanctions monitoring and for retailer databases (see Observation 7). The country office also had an internally developed application for managing expressions of interest for retailers. This fragmented approach limited data visibility, hindered digital record-keeping, and increased manual processes – hence, reducing efficiency in the retailer management.

62. There is an opportunity to reassess the implementation of the Retailer Operations and Contracting system to enhance transparency and efficiency during retailer assessment and contracting, as well as to limit the risk of manual errors, which are inherent when relying on spreadsheet databases.

Partners Connect

63. Partner Connect is a corporate platform designed to centralize and digitize the management of cooperating partners. The system offers digital field-level agreement workflows; integrated reporting and invoicing linked to the WFP Country Office Tool for Managing programme operations Effectively (COMET). It is also interfaced with the UN Partners Portal.²⁹

64. During the period under review, the country office had not implemented Partner Connect due to an absence of perceived value added. A formalized assessment of costs versus benefits to support the decision was not available. Yet discussions with headquarters on its implementation were ongoing, including as part of GAP reporting.

Underlying cause(s):

<i>Process and planning:</i>	Inadequate risk management
<i>Tools, systems and digitization:</i>	Absence or late adoption of tools and systems Inappropriate implementation or integration of tools and systems

Agreed Actions [Medium priority]

The Technology Division, in collaboration with the country office and relevant headquarters units, will:

- (i) Formalize a cost-benefit analysis to assess the feasibility of merging the SCOPE instance used by the Lebanon Country Office into the global SCOPE instance.
- (ii) Provide a recommendation and associated costs to the Lebanon Country Office on the use of corporate solutions for retailers contracting and management and for partners management.

Timeline for implementation

- (i) 31 December 2025
- (ii) 30 June 2026

²⁹ This portal facilitates standardized expression of interests, registration, vetting and due diligence.



Resource management

65. The audit conducted a review of the country office's budgeting and programming, focusing on governance and oversight, and budgetary control, implementation and monitoring.

66. The country office maintained a well-functioning Resource Management Committee, which met regularly with strong cross-functional participation and clear documentation of decisions and follow-up undertaken.

67. The Budget and Programming Unit led robust financial management oversight, including detailed pipeline forecasting, scenario planning, and grant utilization tracking. The Budget and Programming Unit effectively used monitoring tools such as consumption reports to ensure accountability and timely fund utilization.

68. There are no reportable observations specifically related to this area.

Programme design and implementation

Beneficiary Management including targeting

69. During the period under review, WFP operated under a joint programme with UNHCR for the refugee response, where UNHCR was responsible for registration and identity management, while targeting was conducted jointly by both organizations.

70. For the social safety net programmes, WFP implemented assistance on behalf of the Government of Lebanon, relying on registration and targeting data from government entities.

71. For in-kind assistance to vulnerable Lebanese, targeting, verification and registration were under the full responsibility of WFP, and an impact evaluation of targeting humanitarian assistance in Lebanon was ongoing at the time of audit fieldwork. These in-kind operations rely on structured digital processes for assistance tracking and reconciliation.

72. A new influx of refugees from Syria was not officially registered through UNHCR during the audit period, pending the Government's decision on whether to undertake it. This limited WFP to conduct data analyses. In the interim, WFP supported partial data collection in coordination with UNHCR to facilitate humanitarian assistance, including during joint distributions. The cash donor mission report also raised this topic.

Cash-based transfers

73. In 2024, the Lebanon Country Office managed WFP's largest cash-based transfer (CBT) operation. It disbursed approximately USD 210 million and reached over 1.7 million beneficiaries, of whom 60 percent were Syrian refugees.

74. The refugee CBT programme is mature and supported by well-established systems and processes that ensure data protection, integrity, and operational efficiency. This includes clearly defined procedures for managing the distribution cycle and reconciliation. In response to the ongoing financial crisis, the country office implemented adaptive strategies such as a prefinancing arrangement with its financial service provider, dual currency withdrawal and expanded redemption options through selected Money Transfer Operators, to enhance flexibility and accessibility for beneficiaries.



75. The CBT in emergencies (through SRSN) and service provision for ESSN were implemented using the corporate financial service provider agreement with Western Union. This arrangement offers system integration with SCOPE, ensuring full data protection and audit trail, and allows the country office to benefit from WFP's global prefinancing limit.

76. To mitigate financial and operational risks in a volatile economic context, the country office used multiple financial service providers across different programmatic activities.

Cooperating partners

77. The country office operated with 14 cooperating partners in 2024, covering CBT, in-kind distributions, emergency response cold and hot meals, school feeding and livelihood activities, with a total field level agreement value of USD 14 million. For emergency preparedness, the country office leveraged its cooperating partners network of both in-kind and CBT assistance and signed no-cost stand-by agreements with existing partners in October 2023 and extended those in February 2024 to maintain readiness.

78. The audit reviewed the activity delivery process, including a full-scope review of programme design and implementation for activities 1, 2, and 7 and of beneficiary identity management. It also carried out a tailored review of assessment, beneficiary targeting, and cooperating partner selection and management.

Observation 3. Beneficiary management: registration and deduplication

Beneficiary registration and deduplication

79. For its work with refugees, WFP relies on the tracking and deduplication process through biometrics managed by UNHCR. Following recent developments in Syria and increase in returnees, UNHCR launched a head-count exercise and, in parallel, WFP conducted its quarterly biometric card validation to confirm that the payment instrument remains in the possession of the registered household, removing from WFP's assistance list families not successfully completing this process. This validation exercise does not require all family members' physical presence. During audit fieldwork, the country office reported that it had started conversations on introducing cross-border collaboration with UNHCR and the WFP country office in Syria to enhance de-duplication.³⁰

80. For vulnerable Lebanese, the absence of a national single registry and unique identifier limited the effectiveness of deduplication. To address this, the country office used advanced biographic deduplication algorithms.³¹ Approximately 8 percent of households in SCOPE were registered using a family certificate; this requires further identification at assistance distribution through an official document. That official identification is however not tracked, although it could strengthen beneficiary verification controls.

³⁰ The Office of Internal Audit started its internal audit of WFP operations in Syria as this report was finalised.

³¹ Developed over the years by the country office to compare the different beneficiary information available.



81. For assistance through social safety nets (NPTP and partly SRSN),³² WFP relied on MoSA targeting, beneficiary data collection, cleaning and deduplication processes. WFP had supported the establishments of these processes, yet an independent verification of the data was not foreseen. WFP corporate guidance on this specific topic is unclear, as the Programme Manual – Direct Provision of Assistance through Government Entities section specifically covers operations through national social safety programmes with transfer of funds through government systems, which is not the case in the Lebanon context.

82. The country office conducted outbound calls to confirm the beneficiary data provided by MoSA. From September 2024, SRSN beneficiaries were referred to the MoSA call centre to report issues. The ministry only referred cases to WFP in cases related to disbursement, limiting WFP's visibility of inclusion/exclusion errors.

In-kind emergency scale-up

83. In-kind, emergency-assisted beneficiaries were not systematically tracked during the emergency scale-up between October 2024 and April 2025. This was a result of the initial programmatic approach not to track beneficiaries, and of information not provided by partners.

84. Available beneficiary data were maintained in spreadsheet files at the field office level, and there were data quality issues. Such arrangements are prone to manual error and limit potential verification, deduplication and analysis. The country office reported that these limitations were largely due to the urgency of the response and the reliance on partner-provided data. A more structured data management process was reportedly introduced in cycles after April 2025.

85. In May 2025, the country office reported a significant reduction of assisted beneficiaries, with its overall response reaching 936,000 beneficiaries, of which 78 percent were Syrian refugees (including newly arrived Syrians) and the rest vulnerable Lebanese. The emergency in-kind assistance planned after the audit fieldwork was limited to internally displaced people and new arrivals from Syria.

Underlying cause(s):

<i>Organizational direction, structure and authority</i>	Strategic and operational plans not developed, approved, or not SMART
<i>Policies and procedures</i>	Absence or inadequate corporate policies/guidelines Absence of local policies/guidelines
<i>Process and planning</i>	Rules and processes, including for decision making, not established or unclear

³² The NPTP ended in June 2024 with part of its caseload transferred to the ESSN, where WFP provides disbursement services only, and to the SRSN, which WFP used to rapidly scale up its emergency response. The SRSN is currently being integrated with a list of individuals affected by the conflict, based on data collected by MoSA. WFP is expected to continue assisting this caseload, including internally displaced people until they are progressively transitioned into the national safety net programme following recertification. In parallel, the country office indicated it is providing technical assistance to MoSA to support registration, data cleaning, deduplication, and coordination of assistance across partners.



Agreed Actions [Medium priority]

- 1) The country office will:
 - (i) Advocate with and advise MoSA on the opportunity to establish a social registry platform that would allow verification and deduplication of beneficiaries' identity and efficient coordination of humanitarian actors' assistance.
 - (ii) Support MoSA in establishing a structured process to provide WFP (or other actors) with relevant/key information on feedback received from beneficiaries through the call center (in the areas of targeting/inclusion/exclusion errors). For the 2025 SRSN exercise, include an update on MoSA quality data in the country office delivery working group meetings.
- 2) The Global Headquarters School Meals and Social Protection Service will support the country office in identifying and formalizing expected process controls and independent verifications when operating through the national social safety programmes - either by supporting government-led programmes or by using national infrastructure to deliver WFP assistance - as per the Lebanon Country Office set-up, and leverage this to identify potential needs for clarification of corporate guidance.

Timeline for implementation

- 1) (i) 31 December 2026
(ii) 31 December 2025
- 2) 31 March 2026

Observation 4. In-kind emergency preparedness and scale-up

Targeting, verification and delivery in the emergency scale-up

86. For the in-kind emergency scale-up, the initial response focused on in-kind food assistance in shelters and leveraged existing data for cash assistance, which left some households outside shelters without immediate support. Following the agreement between MoSA and the humanitarian community of a Ministry-coordinated registration of conflict-impacted households, WFP conducted two rounds of in-kind food distributions³³ to support beneficiaries until registration was completed. In doing so, the country office used simplified geographic and demographic targeting criteria developed in consultation with the Food Security Cluster. During these distributions, limited beneficiary data were collected, which impeded the verification that the criteria had been applied and left an unmitigated risk of inclusion/exclusion errors. The country office considered these limitations necessary to avoid duplicating the Government-led registration process.

87. For approximately 15,000 households in the first cycle, WFP provided assistance to beneficiaries through the Government Disaster Risk Recovery Unit, without any formal agreements, independent verification or data reported. While the decision to operate with the above Unit was based on access limitations, the rationale for the decision and the assessment of associated risks and mitigation measures were not clearly formalized, neither in an internal

³³ 74,000 household in total.



decision memo nor in formal agreements. The country office indicated in a lesson learned memo its intention not to use this approach in the future, yet without specifying alternatives, should the situation materialize again.

Cooperating partner selection and contracting in the emergency scale-up

88. During the extensive preparedness period before the escalation of the conflict, the country office carried out pre-assessments and contracting groundwork for (three) standby agreements for hot meals with cooperating partners already used for its protracted emergency in-kind assistance. While the country office leveraged the standby agreements for hot meals, caseload allocation for the scale-up food parcel distribution proceeded with a cooperating partner which was not initially contracted, through approval letters and retroactive endorsement.

89. The country office explained that the rationale for selecting the Lebanese Red Cross as the sole cooperating partner for emergency distribution of food parcels included access and community acceptance reasons and the remaining contracted partners were already operating at full capacity in the hot-meals response. This rationale was not sufficiently documented nor reflected in the cooperating partners committee minutes, nor was there an identification of the risks and mitigations for only using one partner.

Underlying cause(s):

<i>Process and planning:</i>	Insufficient planning Inadequate process or programme design Inadequate risk management
<i>Oversight and performance:</i>	Insufficient oversight over third parties

Agreed Actions [Medium priority]

As part of the emergency lesson learned exercise, the country office will:

- i. reassess targeting criteria that can be applied in an agile manner during a rapid-onset emergency scale-up, assuming limited available beneficiary data, advocating with the Food Security and Agriculture Cluster and government counterparts to adopt a simplified emergency targeting methodology in joint emergency preparedness planning;
- ii. identify minimum expected controls and counterparts' responsibilities to be formalized in case Government entities are used to implement the emergency response, including risk acceptance when operating in non-accessible areas; and
- iii. leveraging performance assessment of scale-up partners, formalize a comparative assessment to refine the partners base and guide selection for future emergencies.

Timeline for implementation

I, ii. and iii.: 31 March 2026



Monitoring and community feedback mechanism

90. During the period under review, the country office relied on its 2023–2025 monitoring strategy. In October 2024, it developed a dedicated strategy for the emergency crisis response. The office implemented a quarterly risk-based matrix to prioritize monitoring resources and increase efforts for high- and medium-risk sites, exceeding the requirements of the corporate minimum monitoring standards during the period under review. Monitoring coverage extended to 863 active sites³⁴ at the end of 2024, managed by the three field offices under the guidance and supervision of the head office.³⁵

91. The country office received complaints and feedback from various sources that used different technologies for their management. The main source remained the WFP call centre, which received almost 750,000 calls during the period reviewed.³⁶ Approximately 80 percent of the calls were addressed immediately, leveraging an interface between the Lebanon Country Office case management system and SCOPE, and allowing the responder to directly access beneficiary delivery information. Almost 7,200 cases – less than 1 percent of total cases received in the period reviewed – were open at the time of the audit fieldwork, with an average ageing of 3.5 months.

92. The audit reviewed: (i) monitoring processes, including monitoring plans, tools, data quality, reporting and escalation processes; and (ii) the community feedback mechanism including aspects relating to accessibility, data collection, case handling and reporting. It also reviewed the implementation of the GAP benchmarks and reporting to headquarters.

Observation 5. Quality and use of community feedback and monitoring data

93. The country office used various sources to detect and manage feedback and issues with its activities, and data resided in various tools and systems, without consolidation. As described below, these arrangements and data quality issues limited the potential quality review of actions and trend analysis of root causes to feed programmatic decisions.

Data quality, escalation and analysis for decision making

94. The analysis of cases received in the period under review revealed that a resolution was not reported for 35 percent of the closed cases indicated as “assigned to a focal point” in the country office SugarCRM system.³⁷ In the sample of high-risk cases reviewed, resolutions referred to escalating the issue, yet without information on the action taken, contrary to the recently issued Corporate guidance, thereby limiting management oversight and reliable trend analysis. Further, only the process owner was assigned as the focal point in the system, while other relevant units, including the Risk and Compliance Unit, were not informed.

³⁴ Including schools, money transfer agents, automatic teller machines, retail shops, in-kind distribution sites, self-validation points, and e-card distribution sites.

³⁵ The monitoring function is part of the Research, Assessments and Monitoring unit, within the Programme unit.

³⁶ Other sources included the help desk managed through the WFP platform for data collection MoDA, the UNHCR call center, the MoSA call centre.

³⁷ This percentage considered the feedback received during the period under review and excluded (i) those cases resolved by the operator during the call, as these are not assigned to a WFP focal point and (ii) those cases referred to UNHCR, for which the country office considers a resolution by WFP unnecessary.



95. A similar set-up applied for monitoring, where issues were managed through spreadsheet files. The escalation process design in SugarCRM prioritises the programmatic aspect, hence, cases are assigned to the operational focal point. The current case management system set-up does not foresee escalation to multiple actors, which would increase associated costs.

96. During the period reviewed, no feedback was categorized or reported as 'suspected misconduct' or 'targeting error'. This could indicate insufficient awareness and under-reporting. Beneficiaries met by the audit team during in-kind distribution visits were unclear on the targeting criteria, for example.

97. In March 2025, the country office had established a delivery working group, the terms of reference of which include analysing trends identified from the various sources of feedback received. The first meeting took place during the audit fieldwork.

98. The country office is aware of the need for advanced data analysis to effectively make use of the information available.

Case management system

99. The country office uses a customized version of the corporate SugarCRM tool to manage its community feedback mechanism. The customization, implemented since 2021 by headquarters in response to country-specific needs (particularly high call volumes), includes key features such as integration with SCOPE and with short message services to beneficiaries. These allow call centre operators to access delivery information by beneficiary and provide immediate feedback, enhancing efficiency.

100. While the customization remains within the SugarCRM framework, the customized features are not yet available in the standard corporate solution. The country office considers these features to be key, the absence of which would impair the feedback mechanism's effectiveness and would impede adopting the standard corporate solution.

101. At the time of audit reporting, the Global Headquarters Field Monitoring Unit indicated that discussions on the SugarCRM-SCOPE integration were at an early stage. An assessment and cost-benefit analysis of introducing the features requested by the country office into the standard corporate solution had yet to be formally carried out.

102. The country office was among the country offices planned to roll out in 2025 the extension of SugarCRM to include issue management and feedback from monitoring activities and other sources. To proceed requires first fully adopting the standard corporate solution previously mentioned.

GAP benchmarks and standardized internal controls.

103. Community feedback GAP benchmarks for case closure timelines were defined prior to the latest corporate guidance³⁸ released in April 2025, and are therefore misaligned therewith. This misalignment may result in country offices closing cases with no or offline tracking.

104. In the Lebanon Country Office, given the high volume of calls, complying with the "closed-loop" benchmark (i.e. documenting how the person is informed about resolution) would require system changes or adopting the standard SugarCRM corporate solution to be fully met. During the audit reporting phase, the country office reported having introduced a flag in SugarCRM to track feedback provided to the caller.

³⁸ Community Feedback Mechanism Guidance: Handling allegations of misconduct. April 2025



105. While the Global Headquarters Field Monitoring Unit highlighted the need to review benchmarks to reflect the latest guidance and lessons learned from GAP, a timeline has yet to be defined. Considering the similarities and correlation of community feedback and monitoring processes – both of which collect input, raise issues to be addressed, and generate information for programmatic decision – as the organization moves to using SugarCRM to manage the two processes, there is an opportunity to assess benchmarks holistically.

106. As part of the GAP implementation reporting to Global Headquarters, the country office reported some of the GAP benchmarks as ‘in progress’ whereas there was no corresponding action pending at the office. The analysis revealed different understandings of implementation of target benchmarks, at Global Headquarters and country office levels. This finding, and the need to reassess benchmarks for community feedback mechanisms and to define a management oversight strategy will be considered in the 2025 GAP consolidated insight assignment, ongoing at the time of finalizing this report.

Underlying cause(s):

<i>Process and planning</i>	Inadequate process or programme design
<i>Oversight and performance</i>	Insufficient oversight from global headquarters/management Insufficient oversight over third parties
<i>Tools, systems and digitization</i>	Inappropriate implementation or integration of tools and systems

Agreed Actions [High priority]

- 1) The country office will:
 - (i) Review and clarify community feedback follow-up and closure processes by case category in SugarCRM, including documentation and data quality review, updating the standard operating procedure accordingly.
 - (ii) Explore the possibility of expanding trend analysis for community feedback mechanism cases and monitoring results in liaison with the headquarters Field Monitoring Unit.
 - (iii) Reassess beneficiary sensitization activities to identify opportunities to increase awareness of fraud and misconduct.
- 2) The Global Headquarters Field Monitoring Unit, in coordination with the Technology Division, the Supply Chain Division, and relevant Global Headquarters units, will analyse the requirements for SugarCRM-SCOPE integration (including cost-sharing and potential timeframe), leveraging on the Lebanon Country Office situation.

Timeline for implementation

- 1) (i) 31 December 2025
(ii) 30 June 2026
(iii) 31 December 2025
- 2) 31 December 2025



Observation 6. Monitoring planning and oversight

107. In the context of the current office structure and seniority levels, the positioning of the monitoring function within the country office's Programme Unit entails an inherent risk to its independence from the programme implementation activities the Unit oversees. Similarly, the Community Feedback Mechanism Unit's reporting line³⁹ could affect the objectivity and coordination of feedback analysis. While no specific instances of compromised objectivity were identified during the audit, segregation of duties and internal controls could be enhanced in this area.

108. Monitoring planning is risk-based. Yet tracking and reporting are managed through spreadsheet files, with manual adjustments and limited validation leading to some inconsistencies, such as incorrect or missing risk categorization, mismatched visit frequencies, and missing or undefined site data. These issues impacted site selection for visits, the frequency of visits, and calculation of average indicators. For example, 18 percent of the Beirut Field Office's sites were not risk-categorised, impairing correct sites coverage calculation.

109. To address this issue, during the audit reporting phase, the country office indicated the ongoing local development of a centralized master list of redemption and distribution sites with restricted access to control inputs, alongside an interactive dashboard for real-time coordination and tracking of monitoring activities. The country office is also planning to introduce a periodic validation process for enhanced data reliability.

Underlying cause(s):

<i>Process and planning:</i>	Inadequate process or programme design
<i>Oversight and performance:</i>	Performance measures and outcomes are inadequately measured/established
<i>Tools, systems and digitization:</i>	Absence or late adoption of tools and systems

Agreed Actions [Medium priority]

The country office will:

- (i) Reassess current reporting lines to enhance the independence and objectivity of the Monitoring and Complaints and Feedback Mechanism Units while maintaining cost efficiency.
- (ii) In consultation with the Technology Division and the Research, Assessments and Monitoring Unit in headquarters, confirm and develop a database to automate site prioritization updates, enhance data validation, and reduce the need for manual reconciliation.

Timeline for implementation

(i) 31 March 2026

(ii) 31 December 2025

³⁹ The Community Feedback Mechanism Unit reports through the Protection Officer, and along with CBT and Partnership, to the Programme Support Unit and the Head of Programme in the country office.



Operations – Supply chain management, retailers and cash-based transfer service providers

110. During the audit period, the country office procured food and goods and services for USD 24.0 million and USD 19.0 million, respectively, while its logistics expenditures totalled approximately USD 2.3 million.

111. The country office had a long-standing partnership with its financial service provider, dating back to 2012, for the delivery of CBT under various assistance programmes. The contracting process followed corporate requirements. Over time, the country office has expanded its portfolio, introducing additional service providers to support the diversification of delivery mechanisms and enhance operational flexibility across different CBT interventions.

112. As of March 2025, the country office had 291 contracted retail shops. Following the emergency scale-up, their activity reduced primarily due to a shift in transfer modality enabled by increased flexibility in donor earmarking. Issues concerning the tools for tracking most retailers' data, including master lists and sanctions, are highlighted in [Observation 2](#).

113. Primary and secondary transporters were contracted under a tariff system,⁴⁰ with allocations made fortnightly to align to market prices. During the scale-up, the country office contracted a fleet of trucks to facilitate decongestion. By the end of 2024, the office operated with two active warehouses and limited storage with the cooperating partners. The Zouk warehouse in Beirut, shared with UNHCR and UNICEF, represented a good practice in flexible space utilization.

114. The audit carried out a partial review of food and non-food procurement focusing on sourcing, vendor selection and performance management (including for financial service providers and retailers, the implementation of cash-based transfer programmatic activities); contracting, including food safety and quality aspects; and of transport and warehouse services, focusing on the tariff system implementation and controls over commodity stocks in the country office's warehouse.

Observation 7. Market and performance assessments

Procurement

115. During the period under review, the country office did not conduct a structured market assessment, or issue expressions of interest, to identify and prequalify potential suppliers of food and goods and services. The sample review of procurement transactions confirmed that the country office relied on an existing vendor roster that was updated on an ad-hoc basis, primarily driven by vendors proactively expressing interest in being included. This could limit the country office's ability to comprehensively assess market capacity and competitiveness, particularly during periods of emergency scale-up.

116. The supplier performance evaluation process was not conducted in a systematic manner. For the sample reviewed, evaluations were inconsistently conducted and, when carried out, the country office used manual templates to document the evaluation rather than the corporate data hub. This limited traceability and institutional learning, potentially affecting the country office's ability to identify underperformance or inform future procurement decisions. The country office explained this had occurred due to competing priorities and increased workload during the scale-up.

⁴⁰ As defined in the WFP Logistic Manual tariff system contracting establishes a general rate, or tariff, for a specific service line (e.g. a route, a location) that is proposed to multiple shortlisted service providers.



Financial and operational market assessment for CBT assistance design

117. The country office continues to deliver large-scale cash assistance to refugees through e-cards provided by the financial service provider.

118. While the country office monitors several operational factors related to delivery mechanisms – such as beneficiary preferences and constraints, including limited access to smartphones – these considerations were not formalized.

119. In 2022, WFP introduced a streamlined assessment tool, the Financial Sector Intelligence, with a corporate requirement that it be conducted every two years.⁴¹ At the time of audit fieldwork, the country office had yet to implement this tool; the latest relevant financial market assessment had been conducted in 2021.

120. Although the country office was aware of certain risks informally, this knowledge was not captured in a structured manner. The absence of a recent formal assessment may delay the timely identification of systemic and operational risks and the corresponding adjustment of mitigation strategies.

Underlying cause(s):

<i>Oversight and performance:</i>	Insufficient oversight from global headquarters /management
<i>Resources:</i>	Absence of/insufficient staff training
<i>Unintentional human error</i>	

Agreed Actions [Medium priority]

The country office will:

- (i) Develop a roadmap to conduct a structured market assessment and update the supplier roster for food, goods and services, in line with the country office's procurement plan and considering a risk-based and resource availability approach.
- (ii) Provide training to relevant staff to ensure systematic vendor performance evaluations are carried out for all suppliers using the corporate data hub.
- (iii) In coordination with the Global Headquarters Financial Operations Service, undertake a comprehensive financial sector intelligence, considering WFP system set-up and customization.

Timeline for implementation

- (i) 30 June 2026
- (ii) 30 June 2026
- (iii) 31 March 2026

⁴¹ The tool provides comprehensive support to country offices by enabling a thorough assessment of the national financial ecosystem. It also identifies key risks and suggests mitigations and recommendations for more efficient and effective cash transfer programmes.



Cross-cutting - gender equality in workplace

121. The audit reviewed the composition of, and statistics related to, staffing structure and assessed the progress of gender balance versus established targets, including representation in senior and middle managerial roles.

122. The country office carried out an organizational realignment in 2023 and 2024 and, at the time of audit reporting, had 236 staff; 53 percent of whom were women, above the 50 percent target established for 2025. There was good female representation in key managerial positions, including one of the two director positions and seven heads of units directly reporting to the directors.

123. There are no reportable observations specifically related to this area.



Annex A – Agreed action plan

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

The agreed actions plan is primarily at the country office level, with three actions addressed at the corporate level.

#	Observation	Area	Owner	Priority	Timeline for implementation
1	WFP positioning and capacity strengthening activities	Management Oversight and Risk management	Country office	Medium	(i) 31 Dec 2025 (ii) 31 Dec 2025
2	Systems in use and adoption of standard corporate solutions	Information and Communications Technology	WFP Technology Division	Medium	(i) 31 Dec 2025 (ii) 30 Jun 2026
3	Beneficiary management: registration and deduplication	Programme	Country office WFP School meals and Social Protection Service	Medium	1. (i) 31 Dec 2026 (ii) 31 Dec 2025 2. 31 Mar 2026
4	In-kind emergency preparedness and scale-up	Programme	Country office	Medium	31 Mar 2026
5	Quality and use of community feedback and monitoring data	Accountability to affected populations	Country office WFP Field Monitoring Unit	High	1. (i) 31 Dec 2025 (ii) 30 June 2026 (iii) 31 Dec 2025 2. 31 Dec 2025
6	Monitoring planning and oversight	Monitoring	Country office	Medium	(i) 31 Mar 2026 (ii) 31 Dec 2025
7	Market and performance assessments	Procurement	Country office	Medium	(i) 30 Jun 2026 (ii) 30 Jun 2026 (iii) 31 Mar 2026

Annex B – List of figures and tables

Table 1 – **Direct operational costs and beneficiaries assisted in 2024** 6

Figure 1 - **Process areas in audit scope - Full audit coverage** 6

Figure 1 - **Process areas in audit scope - Partial audit coverage** 7



Annex C – Acronyms used in the report

CBT	Cash-Based Transfer
COMET	Country Office tool for Managing programme operations Effectively
ESSN	Emergency Social Safety Net
GAP	Global Assurance Project
MODA	Mobile Operational Data Acquisition
MoSA	Ministry of Social Affairs
NGO	Non-governmental organization
NPTP	National Poverty Targeting Programme
ROC	Retailer Operations and Contracting
SCOPE	System for Cash Operations and Payment Evidence
SRSN	Shock-Responsive Safety Net
SugarCRM	WFP feedback management system
TEC	WFP Technology Division
UN	United Nations
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNSDCF	United Nations Sustainable Development Cooperation Framework
USD	United States Dollars
WFP	World Food Programme



Annex D – Root cause categories

Category	Root Cause
Organizational 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
Policies and procedures	Absence or inadequate corporate policies/guidelines
	Absence 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 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, financial service providers, Vendor, etc.)
	Insufficient due diligence of third parties
	Insufficient training/capacity building of cooperating partners 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 and access
	Political - governmental situation
	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
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.

2 Priority of agreed actions

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

Table B.2: Priority of agreed actions

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

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

Typically audit observations can be viewed on two levels: (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.⁴²

⁴² 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.