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برنامج الأغذية العالمي

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For consideration

Executive Board documents are available on WFP's website (<https://executiveboard.wfp.org>).

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## **Report of the External Auditor on findings from field audits**

### **Findings and recommendations from 2023 field audit visits**

#### **Draft decision\***

The Board takes note of the report of the External Auditor on findings from field audits (WFP/EB.2/2024/5-B/1) and management's response (WFP/EB.2/2024/5-B/1/Add.1) and encourages further action on the External Auditor's recommendations, taking into account the considerations raised by the Board during its discussion.

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\* This is a draft decision. For the final decision adopted by the Board, please refer to the decisions and recommendations document issued at the end of the session.

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EXTERNAL AUDIT OF THE WORLD FOOD  
PROGRAMME

SUMMARY FIELD REPORT

FINDINGS AND RECOMMENDATIONS FROM  
2023 FIELD AUDIT VISITS

# Contents

|  |           |
|--|-----------|
| <b>EXECUTIVE SUMMARY</b> .....   | <b>4</b>  |
| <b>A. MANDATE, SCOPE, AND METHODOLOGY</b> .....                            | <b>6</b>  |
| <b>B. FINDINGS AND RECOMMENDATIONS</b> .....                               | <b>7</b>  |
| <b>1. Previous recommendations</b> .....                                   | <b>7</b>  |
| <b>2. Overview of 2023 audit visits</b> .....                              | <b>9</b>  |
| <b>3. Summary of 2023 audit visits' findings and recommendations</b> ..... | <b>12</b> |
| <b>a. Management</b> .....   | <b>12</b> |
| <b>b. Cooperating partner management</b> .....                             | <b>14</b> |
| <b>c. Asset management</b> .....   | <b>15</b> |
| <b>d. Human Resources</b> .....  | <b>18</b> |
| <b>e. Delegation of financial authority</b> .....                          | <b>19</b> |
| <b>f. Information technology</b> .....                                     | <b>20</b> |
| <b>ANNEX 1: STATUS OF PREVIOUS RECOMMENDATIONS</b> .....                   | <b>22</b> |
| <b>ANNEX 2: NUMBER OF RECOMMENDATIONS PER AUDIT TOPIC</b> .....            | <b>48</b> |

# Executive Summary

## Summary field report

Country strategic plans and limited emergency operations represent WFP's portfolio of humanitarian and development activities in the countries. WFP implements its mandate in the field. In addition to audit procedures at headquarters, the External Auditor conducts audit procedures at country offices and regional bureaux. So far, the External Auditor has issued management letters on audit visits to field offices to the Executive Director. Now, with this report, the External Auditor provides a summary of findings and recommendations from audit visits to WFP country offices and regional bureaux in 2023 and the status of recommendations from the 2022 field audit visits for the Executive Board.

## Objective of the report

The report brings to the attention of the Executive Board findings and recommendations of a cross-cutting nature and overall importance, recurring issues, and provides insights on the efficiency of the financial procedures, the accounting system, the internal financial controls and, in general, the administration and management of WFP at field level.

Audit recommendations can only lead to progress if they are implemented. The follow-up of previous audit recommendations is an integral part of the External Auditor's work. The report aims at providing an overview of the progress and the status of country offices' and regional bureaux' efforts in implementing external audit recommendations.

## Status of previous external audit recommendations

In 2022, the External Auditor conducted nine audit visits to seven country offices and two regional bureaux and issued 94 recommendations. Four recommendations made by the previous External Auditor had not been implemented yet.

The External Auditor assessed these 98 recommendations. The country offices and regional bureaux have implemented 75 recommendations (77 percent), 21 are under implementation (21 percent), and 2 have been overtaken by events (2 percent).

The External Auditor's thorough follow-up and intense communication with WFP led to an adequate responsiveness and an implementation rate of 77 percent. About one fifth of the issued recommendations are still open, the External Auditor will therefore continue to follow up on the implementation of the remaining recommendations.

## Findings and recommendations

In 2023, the External Auditor conducted nine audit visits to six country offices and three regional bureaux and issued 106 new recommendations. The recommendations mainly concerned the areas of management, cooperating partner and asset management, and human resources.

### *Management*

The External Auditor found that the country offices should improve the use of certain procedural and strategic documents, such as standard operating procedures, implementation strategies and handover documents. The regional bureaux should clearly distinguish between their oversight and their support role. Oversight should be more risk-oriented.

### *Cooperating partner management*

The External Auditor found that, in 94 percent of the cases, the country offices had not conducted the required spot checks and had not applied a risk-based and prioritized approach to determine the spot checks. The External Auditor further found weaknesses in cooperating partner monitoring documentation, timeliness of partner expense reporting and evaluation of partner activities.

### *Asset management*

The External Auditor noted weaknesses in asset management, particularly in the accuracy of the relevant registers and the disposal process. The registers included a considerable number of non-operative assets.

### *Human resources*

The country offices used consultants for critical positions such as head of unit although such functions should be performed by staff members.

## **Outlook**

The External Auditor will thoroughly follow up on the 2023 recommendations and remaining outstanding recommendations from previous years. His next report for the Executive Board's second regular session in 2025 will cover the implementation rate and findings from 2024 field audit visits.

## A. Mandate, scope, and methodology

1. By its decision 2021/EB.2/4, on 16 November 2021, the Executive Board of WFP appointed the President of the German Supreme Audit Institution (Bundesrechnungshof) as the WFP External Auditor to perform the audit of the accounts of WFP for a six-year term from 1 July 2022 to 30 June 2028 in accordance with the WFP Financial Regulations.
2. The External Auditor's mandate is set out in Article XIV of the WFP Financial Regulations and their annex. Pursuant to the Financial Regulations, the External Auditor expresses an opinion on the financial statements and may make observations with respect to the efficiency of the financial procedures, the accounting system, the internal financial controls and, in general, the administration and management of WFP.
3. Pursuant to the WFP General Regulations, the purposes of WFP are (a) to use food aid to support economic and social development, (b) to meet refugee and other emergency and protracted relief food needs, and (c) to promote world food security in accordance with the recommendations of the United Nations and the Food and Agriculture Organization of the United Nations. To achieve these purposes, WFP shall implement food aid programmes, projects and activities. Country strategic plans<sup>1</sup> and limited emergency operations include WFP's entire portfolio of humanitarian and development activities. WFP implements its mandate in the field. Country offices account for most of the available resources. Regional bureaux have the role to support and oversee the country offices.
4. The External Auditor's audit approach comprises audit procedures at headquarters but also particularly at country offices and regional bureaux. The External Auditor plans audit visits to country offices and regional bureaux based on his risk assessment, the volume of operations and considering thematic focus audit areas and past internal and external audit visits.
5. During audit visits to country offices and regional bureaux, the External Auditor issues audit observation memoranda with facts and findings requesting the respective directors to comment in writing. These audit observation memoranda, together with the comments, provide the basis of the External Auditor's management letters to the Executive Director. The External Auditor shared the draft management letters and the draft of this summary field report with WFP requesting comments again to include them in the letters and the report.
6. In the past, the External Auditor issued management letters on audit visits to country offices and regional bureaux to the Executive Director only. Where deemed necessary, the External Auditor included audit findings of these management letters in the audit report of the financial statements.

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<sup>1</sup> Including transitional and interim country strategic plans.

7. Now, in addition to the management letters addressed to the Executive Director, this document provides the External Auditor's summary report of findings and recommendations from audit visits to WFP country offices and regional bureaux in 2023.

8. The objective of this report is to bring to the attention of the Executive Board findings and recommendations of a cross-cutting nature and overall importance, recurring issues, and to provide insights on the efficiency of the financial procedures, the accounting system, the internal financial controls and, in general, the administration and management of WFP at field level.

9. The follow-up on the implementation of previous audit recommendations is an integral part of the External Auditor's work. It ensures that audits have an impact and contribute to the improvement process of the audited entity. In addition to cross-cutting findings from the 2023 field audit visits, this report also contains the follow-up on how the country offices and regional bureaux performed in the implementation of the External Auditor's previous audit visit recommendations.

10. In the text hereafter, the External Auditor has substituted the names of country offices and regional bureaux visited with placeholders. With this report, the External Auditor aims to emphasize the essential content of his findings and recommendations, rather than exposing single entities.

## B. Findings and recommendations

### 1. Previous recommendations

11. Recommendations can only lead to progress if they are implemented. Therefore, the follow-up of previous audit recommendations is an integral part of the External Auditor's work. Between April and July 2024, WFP provided the External Auditor with supporting documentation to evidence the implementation of previous recommendations. After close consultation with the audit focal points at headquarters, country offices and regional bureaux, the External Auditor determined the status of implementation of previous audit recommendations.

12. It is at the discretion of the External Auditor to decide whether he considers a recommendation to be implemented. If WFP has started to implement a recommendation but has not yet completed all necessary steps, the External Auditor considers the recommendation to be under implementation. If WFP has not commenced to take any steps or disagrees with the recommendation, the External Auditor considers the recommendation to be not implemented. There may be instances in which the circumstances under which the External Auditor issued a recommendation change. In such cases the External Auditor may consider a recommendation to be overtaken by events.

13. In 2022, the External Auditor conducted nine audit visits to seven country offices<sup>2</sup> and two regional bureaux<sup>3</sup> and issued 94 recommendations. During the audit visits, the External Auditor also reviewed the recommendations issued by the previous External Auditor and assessed 4 recommendations as not yet implemented.

14. In 2024, the External Auditor assessed these 98 recommendations. The country offices and regional bureaux have implemented 75 recommendations (77 percent), 21 are under implementation (21 percent), and 2 have been overtaken by events (2 percent).

15. Table B.1 below shows the status of implementation of previous recommendations from the External Auditor's field visits. The detailed External Auditor's assessment is included in annex 1 of this report.

Table B.1

**Status of implementation of previous recommendations by year**

Most assessed recommendations are recommendations from field visits conducted in 2022. Additionally, four recommendations assessed were issued by the previous External Auditor when he had conducted field visits to the same country offices and regional bureaux.

| <i>Year<sup>a</sup></i> | <i>Total</i> | <i>Implemented</i> | <i>Under<br/>implementation</i> | <i>Not<br/>implemented</i> | <i>Overtaken<br/>by events</i> |
|-------------------------|--------------|--------------------|---------------------------------|----------------------------|--------------------------------|
| 2018                    | 1            | -                  | 1                               | -                          | -                              |
| 2020                    | 3            | 2                  | 1                               | -                          | -                              |
| 2022                    | 94           | 73                 | 19                              | -                          | 2                              |
| <b>Total</b>            | <b>98</b>    | <b>75</b>          | <b>21</b>                       | <b>-</b>                   | <b>2</b>                       |
| Percentage              | 100          | 77                 | 21                              | -                          | 2                              |

*Figure: External Auditor, Source: External Auditor.*

<sup>a</sup> Year refers to the year in which the External Auditor issued the recommendations.

16. Table B.2 shows the implementation status per country office and regional bureau.

<sup>2</sup> Country offices Egypt, Jordan, Lebanon, Malawi, Mozambique, United Republic of Tanzania, and Zimbabwe.

<sup>3</sup> Regional Bureau for the Middle East, Northern Africa and Eastern Europe, and Regional Bureau for Southern Africa.



Table B.2  
**Implementation status per country office and regional bureau**  
 Six entities have not yet implemented all recommendations.

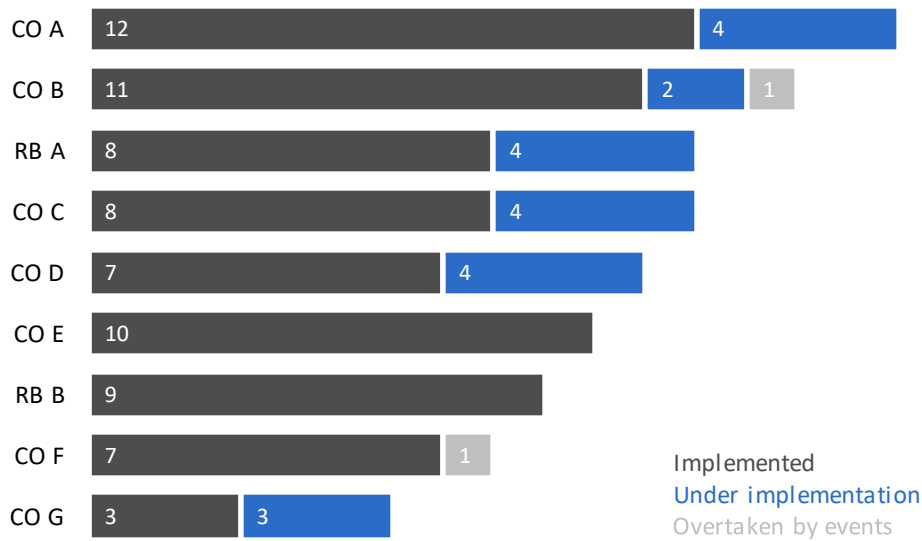


Figure: External Auditor, Source: annex 1.  
 Abbreviations: CO = country office; RB = regional bureau.

## 2. Overview of 2023 audit visits

17. In the period from September to November 2023, and as part of the audit of the financial statements for the period ended 31 December 2023, the External Auditor conducted audit visits to the three regional bureaux and six country offices (hereafter jointly referred to as “entities”) listed in table B.3 below.

Table B.3  
**Regional bureaux and country offices visited in 2023**

Regional bureau for:

- Eastern Africa;
- Latin America and the Caribbean; and
- Western Africa.

Country office:

- Burundi;
- Cameroon;
- Colombia;
- Ethiopia;
- Kenya; and
- Nigeria.

Figure: External Auditor, Source: External Auditor.

18. As at 31 December 2023, the six country offices employed 2,997 staff and affiliates and reported expenses amounting to USD 1,383 million<sup>4</sup> (12.7 percent of WFP total expenses). The three regional bureaux employed 555 staff and affiliates and reported expenses of USD 63 million. The following table B.4 provides an overview of employees, needs-based budget and actual expenses as at 31 December 2023.

Table B.4  
**Entities' number of employees, budget and actual expenses as at 31 December 2023**  
(number, in million USD, percent)

| Entity <sup>a)</sup>   | Employees<br>(number) | Needs-based<br>budget<br>(in million USD) | Actual<br>expenses<br>(in million USD) | Ratio budget<br>to actual<br>(percent) |
|--|-----------------------|---|--|--|
| <b>Ethiopia</b>  | 1 370                 | 1 741                                     | 590                                    | 34 <sup>b)</sup>                       |
| <b>Nigeria</b>   | 335                   | 549                                       | 300                                    | 55                                     |
| <b>Colombia</b>  | 335                   | 259                                       | 104                                    | 40                                     |
| <b>Kenya</b>   | 457                   | 424                                       | 271                                    | 64                                     |
| <b>Cameroon</b>  | 289                   | 148                                       | 65                                     | 44                                     |
| <b>Burundi</b>   | 211                   | 91  | 53                                     | 58                                     |
| <b>Regional Bureau<br/>for Eastern Africa</b>                      | 223                   | 24  | 20                                     | 83                                     |
| <b>Regional Bureau<br/>for Western Africa</b>                      | 201                   | 26  | 24                                     | 92                                     |
| <b>Regional Bureau<br/>for Latin America<br/>and the Caribbean</b> | 131                   | 21  | 19                                     | 90                                     |
| <b>Total</b>   | 3 552                 | 3 283                                     | 1 446                                  | 44                                     |

Figure: External Auditor, Source: WFP.

<sup>a)</sup> The country offices' budget and actual expenses are from the country offices' annual country reports 2023. The Regional Bureaux budgets are from the WFP management plan (2023–2025). The Regional Bureaux actual expenses are based on information by WFP.

<sup>b)</sup> The 2023 budget to actual ratio of the Ethiopia country office was affected by the pause of food distributions after allegations of food aid diversions. In 2022, the ratio amounted to 58 percent.

19. In 2023, the External Auditor issued 106 recommendations to the entities, mainly in the categories management, cooperating partner management, human resources, and information technology (IT). Table B.5 below shows how these recommendations are distributed across the audit topics. A more detailed table of audit topics is given in annex 2.

<sup>4</sup> Country offices' annual country reports 2023.

Table B.5

**This Report mainly focuses on management, cooperating partner and asset management, and human resources**

The 106 recommendations issued in 2023 referred to the following audit topics.

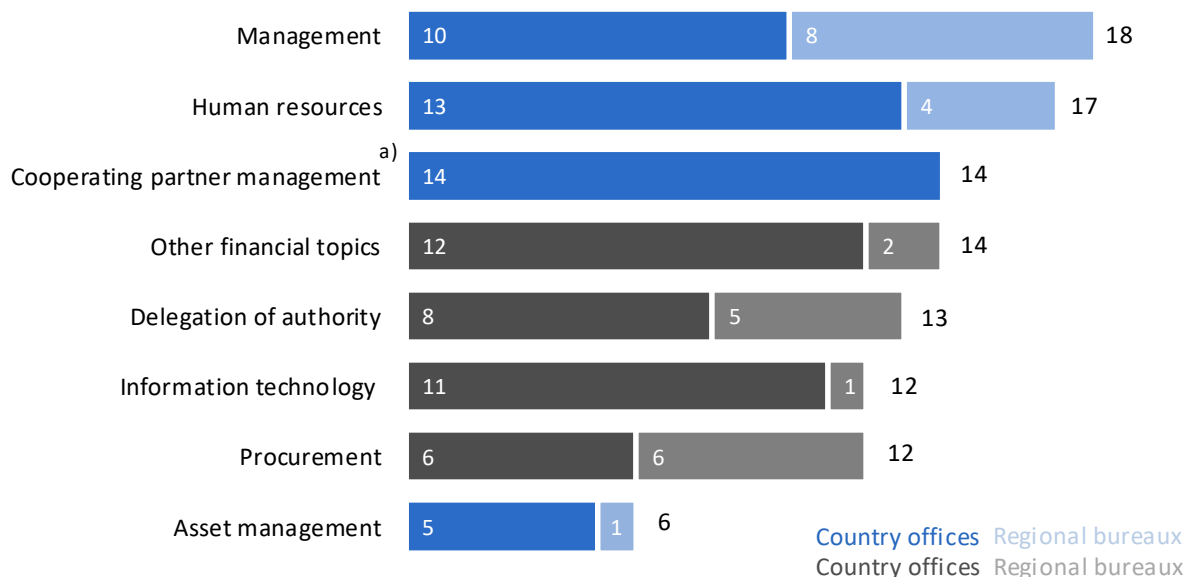


Figure: External Auditor, Source: Management letters.

<sup>a)</sup> The category cooperating partner management includes two recommendations regarding cash-based transfers.

20. This report does not exhaustively describe all the findings from the audit visits. The findings presented here are those of major importance or cross-cutting nature. Grouped by theme, the report aims at highlighting areas for improvement that do not concern only one office or bureau. Procurement and other financial topics shown in table B.4 above are not separately presented as they concern several individual cases and are not of a cross-cutting nature.

21. Some of the 2023 audit visit findings concerned procedural issues and resulted in recommendations addressed to headquarters. The External Auditor included such field findings in the audit report of the financial statements for the year ended 31 December 2023 (Annual Report). However, if these findings still require the entities to act, they are also presented in this report. The Annual Report includes recommendations which are addressed to headquarters. This report summarizes recommendations which are addressed to the country offices and the regional bureaux visited.

22. Some topics which already came to the External Auditor's attention in the 2022 audit reoccurred in 2023. For ease of reference, the External Auditor named such findings and cross-referenced them in this report.

### 3. Summary of 2023 audit visits' findings and recommendations

#### a. Management

##### ***Inadequate tracking, approval and review of standard operating procedures***

23. Standard operating procedures specify the general rules of internal operations and help strengthen country office management and processes. They are crucial for the implementation of programmes, particularly in cases where the programmes are complex, involve separate units or multifunctional teams and imply certain risks for the operation.

24. Table B.6 provides the number of standard operating procedures per country office which differed significantly. The External Auditor could not determine a correlation between the number of standard operating procedures and the size or complexity of the operations. The more staff a country operation employs, the more standard operating procedures might be necessary for a proper management of WFP operations.

Table B.6

##### **No link between number of standard operating procedures and complexity of operations**

The number of standard operating procedures and the size of operations (staff) are not correlated.

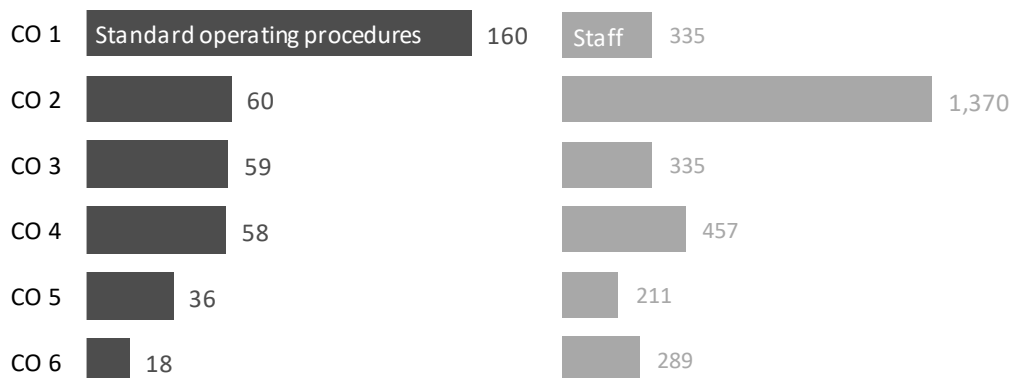


Figure: External Auditor, Source: Field visit observations, WFP.

25. The External Auditor found that three of the country offices did not have all necessary standard operating procedures in place or did not have a well-functioning tracking system. The External Auditor found that the country offices

- used standard operating procedures which the country director had not approved;
- had no comprehensive overview of their applicable standard operating procedures, i.e., they did not maintain a tracking list or the list was incomplete;
- lacked standard operating procedures in important areas such as cash-based transfers; and

- did not use standardized formats, did not indicate the publication or review dates in the standard operating procedures, and had not revised their standard operating procedures for years.

### ***Insufficient documentation of strategic considerations***

26. In several cases, the External Auditor noted that the country offices could improve the documentation of strategic considerations to plan and organize their work. While the findings refer to individual cases, they indicate an overall insufficient use of strategic documents. The main findings were that country offices

- started programme implementation without having conducted a feasibility study and setting up an implementation strategy;
- did not monitor and document the funding volatility in a manner that enabled adjustment of running costs;
- did not sufficiently track oversight mission recommendations and were unable to implement them in a timely manner;
- had, in several consecutive cases, not documented the handover from the outgoing country director to the successor although a handover process is important to ensure that significant weaknesses identified are appropriately followed up.

### ***Oversight missions conducted inadequately***

27. Regional bureaux are to provide strategic direction and guidance, technical support, and management oversight to the country offices in their region. The External Auditor noted room for improvement in certain aspects of the oversight role.

28. For example, regional bureaux had not conducted oversight missions to country offices in high-risk environments or had not covered high-risk areas equally in their oversight missions. One regional bureau faced challenges with regard to balancing technical support, back-filling of vacant positions at country offices and conducting management oversight at the same time.

**29. The External Auditor's 2023 audit visits revealed that the country offices should improve the use of certain procedural and strategic documents, such as standard operating procedures, implementation strategies and handover documents. The regional bureaux should clearly distinguish between their oversight and their support role. Oversight should be more risk-oriented.**

**30. The External Auditor issued 18 recommendations addressing these management topics.**

b. Cooperating partner management<sup>5</sup>

***No spot checks for 94 percent of active agreements***

31. The programme guidance manual contains requirements for the monitoring and the evaluation of cooperating partners. The manual requires, inter alia, spot checks,<sup>6</sup> invoice verifications, and partner performance evaluations. Pursuant to the manual, country offices should conduct at least one spot check during each period of programme implementation.

32. The External Auditor found that the country offices had conducted spot checks insufficiently. In 2023, the six country offices had about 300 active agreements in place with more than 170 partners. The country offices conducted 18 spot checks (6 percent of the agreements) in total, covering 10 percent of cooperating partners. Three country offices did not conduct spot checks at all.

Table B.7

**Majority of agreements without spot checks**

In 2023, 94 percent of the 300 active agreements were not subject to spot checks.

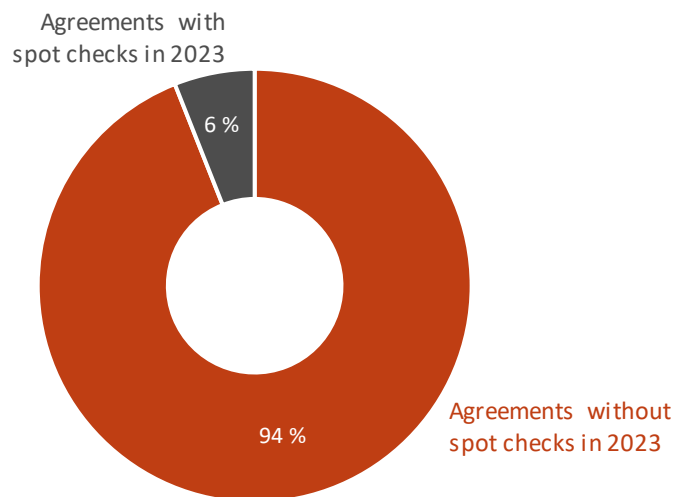


Figure: External Auditor, Source: Management letters.

33. Moreover, the External Auditor found that the country offices

- had not established a risk-based and prioritized plan for the selection of spot checks; and
- did not document the spot checks conducted in a coherent and reconcilable manner.

<sup>5</sup> 2 out of 106 recommendations concerned cash-based transfer management but were grouped under the audit topic cooperating partner management for simplification purposes.

<sup>6</sup> Spot checks seek to verify that funds provided to the partners by WFP are well accounted for by accurate financial records relating to the activities performed by the partners (programme guidance manual, chapter 5.4.).

***Monitoring documents incomplete***

34. Adequate monitoring activities and their documentation provide assurance on the appropriate use of funds by partners and help identify and mitigate potential risks at an early stage.

35. The External Auditor found that country offices lacked appropriate monitoring documentation. For example, country offices did not report on issues with partners or prepared abstract reports only. In different cases, a country office did not evaluate the performance of partners, did not request supporting documents for cash-based transfers, or accepted late submission of cooperating partners' financial reports.

**36. The External Auditor's 2023 audit visits revealed that, in 94 percent of the cases, the country offices had not conducted spot checks and had not applied a risk-based and prioritized approach to determine the spot checks. The External Auditor further found weaknesses in cooperating partner monitoring documentation, timeliness of partner expense reporting and evaluation of partner activities.**

**37. The External Auditor issued 14 recommendations addressing cooperating partner management.**

**c. Asset management**

38. Overall, the entities accounted for property plant and equipment of USD 37.4 million and presented 3,400 items in their asset history sheets as at 31 December 2023. The proper maintenance and management of assets is essential so that a country office can function efficiently. Demonstrating stewardship of its assets reflects the country office's commitment to accountability and transparency.

39. Table B.8 below shows that the five country offices with the highest numbers of assets had already fully depreciated between 36 percent and 80 percent of their assets. This indicates that a high number of assets in these countries approach their end of life and need to be replaced soon. In such cases the disposal process is particularly important to ensure timely and efficient replacement.

Table B.8

**Fully depreciated assets made up a large portion of registered assets**

In five country offices, fully depreciated assets made up between 36 and 80 percent of registered assets.

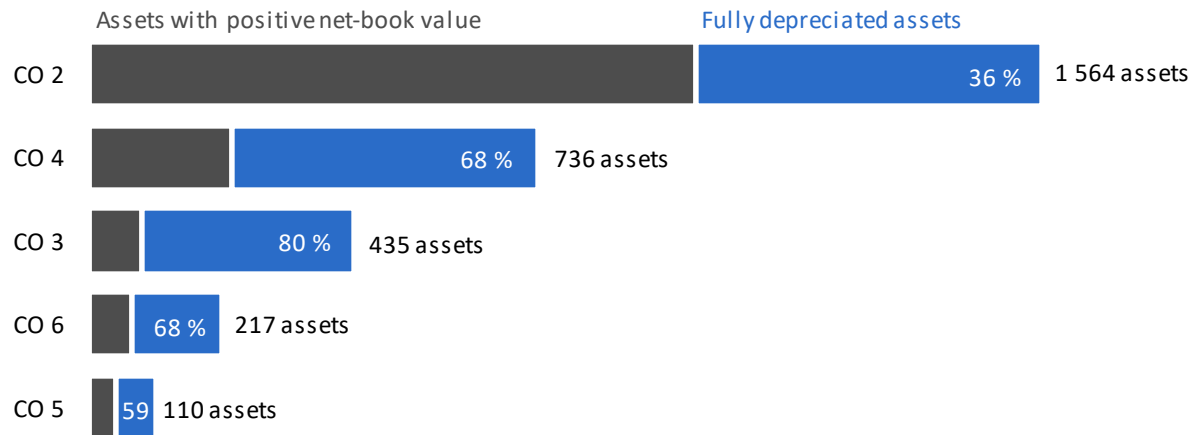


Figure: External Auditor, Source: WFP, Asset History Sheet as at 31 December 2023.

**Overall asset management to be improved: non-operative and missing items***Non-operative assets*

40. The External Auditor noted weaknesses in asset management in six entities, particularly in the accuracy of the relevant registers and the disposal process. The registers included a considerable number of non-operative assets.

41. Four entities provided registers that included items no longer in use, already deactivated or fully depreciated. Table B.9 below visualizes the different categories that two country offices used to classify their assets. One country office had classified one third of its assets as “deactivated” (sub-table B.9.1). Nine percent of the assets were not in use, lost, stolen, or broken but still presented in the register. In the other country office, almost one fourth of the assets were not in use, lost, stolen, or broken (sub-table B.9.2).

42. The comparison shows the high number of non-operative items. Country offices have not followed a standardized approach.



Table B.9  
**High number of deactivated and non-operative items**

The comparison of the asset status in two country offices shows that the country offices have not followed a standardized approach for classifying their assets. Further, registers have shown a high number of non-operative items.

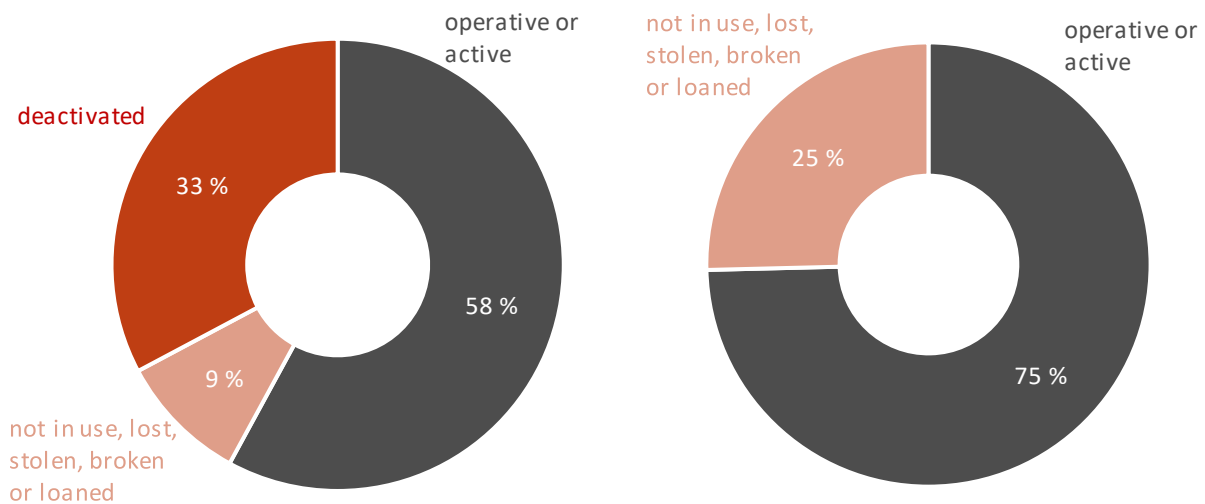


Figure: External Auditor, Source: WFP, Global Equipment Management System (GEMS).

43. In the 2022 audit report, the External Auditor already noted that, within WFP, up to 40 percent of items had an asset status other than operative. All these items were fully depreciated or expensed. The External Auditor recommended that WFP enhance the disposal process of unused, broken, or outdated tangible assets and identify the cause for the high percentage of fully depreciated property, plant and equipment. WFP stated that it had taken actions to enhance the disposal process. However, the External Auditor did not consider the recommendation to be implemented.

44. The findings from the 2023 field audit visits and the large number of fully depreciated assets as shown in table B.8 underline the necessity for improving the disposal process and for implementing this recommendation.

#### Missing items

45. The External Auditor noted several cases of “missing” items. In two country offices, physical count exercises revealed “missing” items which could not be reconciled entirely. For more than one period, the country offices had not noted that items were missing. In addition, the country offices had transferred items to cooperating partners or staff members. As they did not track the new holder, those items were categorized as missing.

46. Already during its 2022 field audit visits, the External Auditor recommended that WFP enhance controls to safeguard equipment of country offices and emphasize to country offices the need to perform annual physical count and reconciliation exercises in a complete and accurate manner. In view of newly developed dashboards and updated guidelines the External Auditor considered the recommendation to be implemented at headquarters’ level.

47. The recent findings during the 2023 field audit visits show that country offices still need to improve their tracking and reconciliation of office equipment and that the use of these new tools needs to be intensified.

**48. The External Auditor's 2023 audit visits revealed that the country offices should improve the accuracy of their equipment registers and, in particular, the disposal process.**

**49. The External Auditor issued 6 recommendations addressing asset management.**

d. Human Resources

***Critical functions entrusted to consultants***

50. Consultants are recruited to provide expert advice in a specialized field not readily available in WFP. On occasion, consultants may also be hired to temporarily backfill international professional staff functions on a short-term basis. A position required on a medium- to long-term basis (normally one year or more), that is critical for WFP, with signatory, releasing or decision-making authority, and/or that handles sensitive information shall be held by a staff member.

51. Out of 2,997 employees in the country offices visited, 133 had a consultant contract.

52. The External Auditor found that four country offices entrusted consultants with supervisory responsibility, accountability, or decision-making authority: Three country offices employed consultants as heads of units. In one country office, consultants carried out critical functions.

***Digitization of personnel files inconsistent***

53. Country offices are responsible for maintaining the personnel files of locally recruited staff. Personnel files should contain official documents, such as the personal history statement and letters offering and accepting the appointment.

54. In the audit visits conducted in 2023, the External Auditor found that the digitization of personnel files was at very different stages:

- one entity had started digitizing personnel files, but had only completed a very small portion of documents;
- two entities had finalized digitizing personnel files, but the digital folders did not follow a standardized structure; and
- two entities had not yet started digitizing their personnel files.

55. In the Report of the External Auditor on support services of the year ended 31 December 2022, the External Auditor already noted that country offices and regional bureaux had moved from hard copy personnel files to e-files. Since headquarters did not provide any guidance, offices developed solutions on their own. The External Auditor recommended that WFP establish a corporate guidance or instruction on electronic record-keeping for personnel files.

56. WFP stated that it planned to use the Human Capital Management Workday platform for electronic record-keeping for personnel files. As part of the follow-up procedures, the External Auditor will review whether the new platform will help to manage personnel files in a coherent and correct manner.

**57. The External Auditor's 2023 audit visits revealed that the country offices used consultants for critical positions although the functions should be performed by a staff member.**

**58. The entities did not digitize their personnel files yet.**

**59. The External Auditor issued 17 recommendations addressing the entities' human resources management.**

e. Delegation of financial authority

60. Pursuant to General Regulation VII, the Executive Director has the authority to administer and implement WFP programmes, projects, and other activities.

61. The Executive Director delegated authorities to regional and country directors who sub-delegated authorities to their employees. Delegation of authority entails full accountability for all actions carried out based on this authority.

62. Country offices should document financial authorities, such as approving and certifying authorities, in a dashboard.

***Delegation of financial authorities not reliably documented***

63. According to the dashboard, the country offices and regional bureaux had recorded between 18 and 177 sub-delegated financial authorities as shown in table B.10.

64. In five entities, the External Auditor found that the data recorded in the dashboard was not always correct and complete. The entities still used signed delegation memoranda or internal monitoring lists which differed from the dashboard records.

65. The External Auditor could not identify a pattern for the extent of delegated authorities. More delegated authorities and a higher span of control require thorough monitoring and oversight to ensure accountability. An unreliable and incomplete dashboard does not support the oversight and accountability requirements.

Table B.10

**Large variances between numbers of delegated financial authorities**

At entity-level, the number of delegated financial authorities varies between 18 and 177.

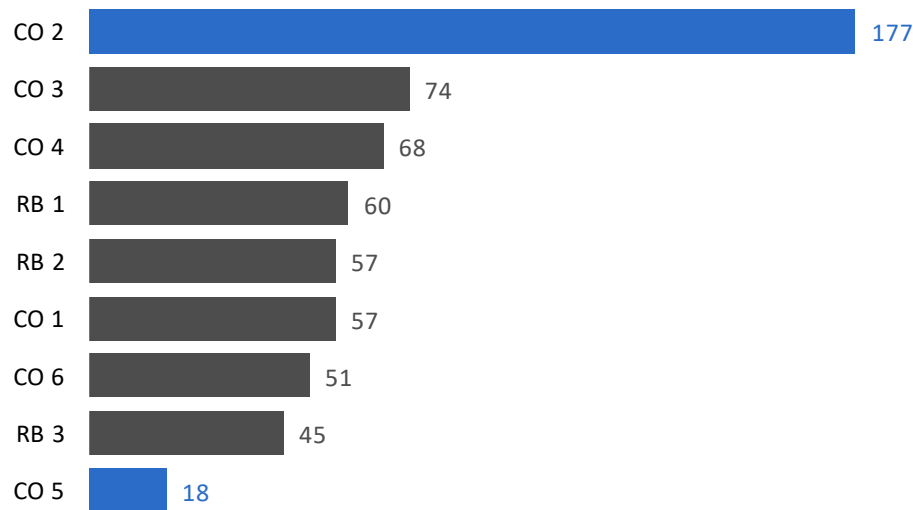


Figure: External Auditor, Source: External Auditor, delegation of authority dashboard as at December 2023.

66. The dashboard is the official repository of the sub-delegation decision. The digital process can fulfil its purpose only if it is applied consistently and if control measures ensure the completeness and accuracy of the data. A comprehensive overview of delegated financial authorities is a precondition for the management to oversee, control, and change delegation of authorities when needed.

**67. The External Auditor's 2023 audit visits revealed that the entities did not adequately use the delegation of financial authority dashboard to record, track and monitor the authorities.**

**68. The External Auditor issued 13 recommendations addressing delegation of authority management.**

f. Information technology

***Disaster recovery planning still insufficient***

69. Disaster recovery procedures as a part of the overall business continuity management represent the capability of the IT organization to continue delivery of essential and time-critical IT services at acceptable predefined levels during and/or following a disruptive incident. Effective disaster recovery is important to ensure the continuity of operations at all organizational levels – even more as WFP often operates in volatile environments.

70. The External Auditor noted weaknesses in the disaster recovery planning of six entities. The External Auditor found in particular that

- the Director did not sign and approve a draft disaster recovery plan;
- disaster recovery plans did not cover all potential disaster scenarios and relevant recovery procedures; and
- entities did not plan and/or conduct tests of the disaster recovery plan.

71. Table B.11 displays how many entities showed weaknesses in their planning of responses to disruptive incidents.

Table B.11

**Insufficient disaster recovery planning**

Six entities showed weaknesses in different aspects of their disaster recovery planning.

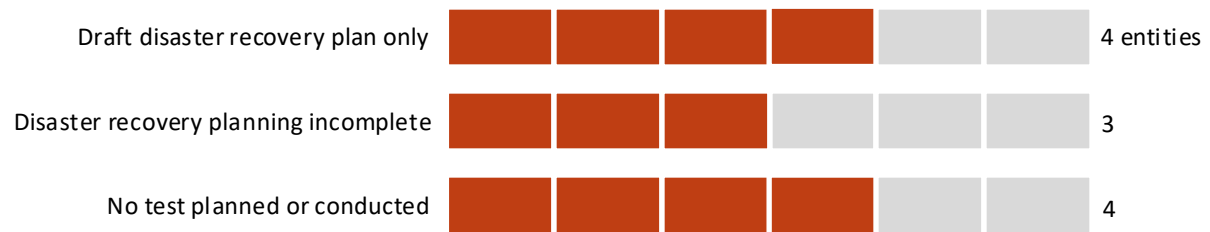


Figure: External Auditor, Source: Management letters.

72. The External Auditor already noted in the report on support services for the year ended 31 December 2022 that the disaster recovery plans differed in quality and content. The External Auditor therefore recommended that WFP develop a new guideline and a template for disaster recovery planning. WFP stated that it issued a prefilled template of a disaster recovery plan to country offices in April 2024. The External Auditor intends to follow up on this recommendation.

**73. The External Auditor’s audit visits revealed that the country offices and regional bureaux need to improve their documents and processes for handling disruptive incidents.**

**74. The External Auditor issued 12 recommendations on Information Technology to the entities.**

**End of report**

## Annex 1: Status of previous recommendations

| No | Report reference              | Recommendation  | Management response   | External Auditor's assessment   | Status after verification |                      |                 |                     |
|----|-------------------------------|---|---|---|---------------------------|----------------------|-----------------|---------------------|
|    |                               |   |   |   | Implemented               | Under implementation | Not implemented | Overtaken by events |
| 1  | 2022 country office A para 20 | The External Auditor recommends that the country office strengthen its monitoring and evaluation function, ensure the appropriate segregation of duties between this function and the programme unit, and ensure the risk-based coordination of cross-functional monitoring activities under the purview of the monitoring and evaluation function. The country office should consider the placement of the feedback mechanism (hotline) as part of the monitoring and evaluation function. | The country office strengthened its monitoring and evaluation capacity, ensuring proper segregation of duty, with the recruitment of additional staff and contracting external service providers. The country office is strengthening its community feedback mechanism capacity through a private sector provider and testing corporate digital tools. The community feedback mechanism (hotline) is placed in the crisis response unit due to the scale up of emergency assistance to Sudanese new arrivals. | The country office recruited two new staff members for the monitoring and evaluation function and contracted an external service provider for remote monitoring activities to segregate programme from monitoring activities. The recommendation is considered to be implemented.   | X                         |                      |                 |                     |
| 2  | 2022 country office A para 28 | The External Auditor recommends that the country office enhance the process of timely finalization of its country-specific standard operating procedures and ensure that they are signed by the country director before the implementation of the programme starts.   | The country office finalized the standard operating procedures in the areas of general food assistance, cash-based transfers, field-level agreements and feedback mechanisms, with approval by the country director.  | The country office's draft standard operating procedures were approved by the country director. In addition, the country office uses a list of standard operating procedures which shows inter alia the date of issuance, status, and the expected date of next review. The recommendation is considered to be implemented. | X                         |                      |                 |                     |
| 3  | 2022 country office A para 30 | The External Auditor recommends that the country office include mandatory review dates and unambiguous effective dates in its country-specific standard operating procedures and track the finalization and timely review in its tracking sheet.  | The country office has updated the standard operating procedure on "Procedures for locally created standard operating procedures" in the country, which includes a provision mandating clear start dates and regular reviews.   | In July 2023, the country office introduced a new standard operating procedure to ensure regularly reviews and tracks the date of issuance and the review date. The recommendation is considered to be implemented.   | X                         |                      |                 |                     |
| 4  | 2022 country office A para 35 | The External Auditor recommends that the country office improve its internal control system by implementing a sign-off procedure for locally negotiated contributions which do not conform to the standard agreement templates.   | The country office finalized the standard operating procedure for the sign-off procedure in the country for all locally negotiated contributions.   | While the country office established a standard operating procedure, the content and processes are not clear. The recommendation remains under implementation.  |                           | X                    |                 |                     |

| No | Report reference              | Recommendation   | Management response   | External Auditor's assessment   | Status after verification |                      |                 |                     |
|----|-------------------------------|--|---|---|---------------------------|----------------------|-----------------|---------------------|
|    |                               |  |   |   | Implemented               | Under implementation | Not implemented | Overtaken by events |
| 5  | 2022 country office A para 44 | The External Auditor recommends that the country office clean up its Global Equipment Management System (GEMS) register, accelerate the disposal of unused and broken equipment, and enhance its controls on internally rented vehicles in terms of correct capitalization.  | The country office undertook a clean-up of the GEMS register and issued a standard operating procedure on asset management. The not found missing items previously approved for write off were deactivated. The country office completed the sale of items recommended for disposal in the 2022 physical count recommendation.  | The country office established a detailed standard operating procedure and started to clean up the GEMS register. The ratio of operative equipment compared to non-operative equipment increased significantly to 86/14 in 2023 compared with 66/34 at the time of the audit. The recommendation is considered to be implemented. | X                         |                      |                 |                     |
| 6  | 2022 country office A para 50 | The External Auditor recommends that the country office in liaison with headquarters and the regional bureau establish an implementation road map with milestones, timelines, due dates, and allocated responsibilities to promote the swift implementation of WFP's digital beneficiary information and transfer management platform (SCOPE). | The country office implemented SCOPE for the refugees' activity in the country. The country office is taking concrete action to implement SCOPE for the remaining two cash-based transfer activities in collaboration with the regional bureaux and headquarters. A road map for the implementation is prepared with support from the regional bureau and the expected timelines for the implementation are end of 2024 or early first quarter of 2025. | The country office uses SCOPE for refugees' activities and provided road maps for the implementation of SCOPE in nutrition activities and school feeding. The recommendation is considered to be implemented.   | X                         |                      |                 |                     |
| 7  | 2022 country office A para 59 | The External Auditor recommends that the country office consider country-specific risks when establishing its country risk register, conduct a follow-up review of the country-specific risk register around mid-year, and consult the regional bureau in advance of its submission of the risk register to headquarters.                      | The country office updated the risk register to include country-specific risks and the regional bureau risk and compliance unit reviewed it prior to its submission to headquarters. Also, the country office updates the risk register and it is reviewed by the regional bureau bi-annually.  | According to the risk register as of 31 August 2023, the risks identified increased from 9 to 22. New risk areas are e.g. funding insufficiency and natural disaster. The regional bureau was involved in the update and review. The recommendation is considered to be implemented.  | X                         |                      |                 |                     |
| 8  | 2022 country office A para 67 | The External Auditor recommends that the country office enhance its supplier roster for goods and services with additional information such as the registration date on In-Tend and information about participation in tenders in order to ensure that the roster is up to date.   | The country office enhanced its supplier roster for goods and services and added information such as the date of registration on In-Tend and information about participation in tenders for new vendors starting from July 2023.  | The country office added further information to the supplier roster. The External Auditor notes that complete information is not yet available for all suppliers. The country office should continue to work on enhancing the roster. The recommendation is considered to be implemented.   | X                         |                      |                 |                     |

| No | Report reference              | Recommendation   | Management response  | External Auditor's assessment  | Status after verification |                      |                 |                     |
|----|-------------------------------|--|--|--|---------------------------|----------------------|-----------------|---------------------|
|    |                               |  |  |  | Implemented               | Under implementation | Not implemented | Overtaken by events |
| 9  | 2022 country office A para 74 | The External Auditor recommends that the country office analyse its micro purchase orders to identify options for consolidation of requirements.         | The country office finalized the analysis on micro purchase orders and results showed that there is a reduction in micro purchase order utilization due to consolidation and utilization of the procurement plan.  | The number and the amount of micro purchase orders decreased in 2023 compared to 2022 while the number and amount of purchase orders increased. The recommendation is considered to be implemented.  | X                         |                      |                 |                     |
| 10 | 2022 country office A para 81 | The External Auditor recommends that the country office implement a naming convention for saving documents in the electronic personnel files.            | The country office created clear steps on how to archive electronic personnel files and documented this in a note for the record stating the naming convention rules for filing personnel records digitally.   | The country office established a standard structure for its personnel files. However, the country office still needs to implement a naming convention, i.e. clear and standardized document names that help to determine the content of documents. The recommendation remains under implementation.  |                           | X                    |                 |                     |
| 11 | 2022 country office A para 83 | The External Auditor recommends that the country office plan for the digitalization of hard copy personnel files of active staff members and affiliates. | The country office completed the digitalization of the hard copy personnel files and affiliates.   | The country office confirmed that all hard copy personnel files of active staff members and affiliates have been digitalized. The recommendation is considered to be implemented.  | X                         |                      |                 |                     |
| 12 | 2022 country office A para 92 | The External Auditor recommends that the country office employ staff members for management positions such as head of unit instead of affiliates.        | The country office undertook an organizational alignment exercise with the support of the Human Resources Division, resulting in: the employment of staff members for management positions, including the appointment of Head of Human Resources and Administration Officer; cancellation of Business Transformation Officer position; and retention of Information and Communications Technology Officer position on service contract, documented in a note for the record. | The country office employs a staff member as a head of unit which was previously headed by an affiliate and abolished another position. The country office, however, decided to retain one affiliate as unit head, whereas the organizational alignment exercise recommended a change in contract type. The recommendation remains under implementation. |                           | X                    |                 |                     |
| 13 | 2022 country office A para 99 | The External Auditor recommends that the country office analyse the market for the provision of fuel to determine its options for future fuel supply.    | The country office conducted a market survey and recommended to proceed with a waiver instead of launching a tender. This arises from the market's heavy regulations, indicating that there would be no advantage in pursuing a tender.  | The External Auditor encourages the country office to analyse the market on a regular basis. The recommendation is considered to be implemented.   | X                         |                      |                 |                     |



| No | Report reference              | Recommendation  | Management response  | External Auditor's assessment   | Status after verification |                      |                 |                     |
|----|-------------------------------|---|--|---|---------------------------|----------------------|-----------------|---------------------|
|    |                               |   |  |   | Implemented               | Under implementation | Not implemented | Overtaken by events |
| 14 | 2020 country office A         | The External Auditor recommends that all the consequences of the office's move to the new complex planned by the Government be anticipated, including an assessment of costs and savings and the planning of the moves. | The country office will move to the new premises planned to be offered by the Government of the country for the WFP office in 2024 and it will be rent free for the first 15 years. The country office developed a plan regarding the move to the new complex where the main aspects are assessed.   | The country office decided to move to the new complex in 2024. The country office stated that it would rent the new premises for a duration of 15 years free of charge. The recommendation is considered to be implemented. | X                         |                      |                 |                     |
| 15 | 2020 country office A         | The External Auditor recommends that the next country strategic plan be aligned in time with the United Nations Partnership Development Framework.  | The country office developed the new country strategic plan covering the period of July 2023 to June 2028 which is aligned with the new United Nations Partnership Development Framework.  | The country strategic plan and the United Nations Partnership Development Framework were both issued in 2023. The recommendation is considered to be implemented.   | X                         |                      |                 |                     |
| 16 | 2020 country office A         | The External Auditor recommends that more attention be paid to the formal aspects of the conclusion of field-level agreements, such as timely signatures.   | The country office prepared a standard operating mechanism for managing field-level agreements which includes a clause on the signature by the cooperating partner and the upload of signed field-level agreements as support documentation to the creation in the WFP Information Network and Global System (WINGS). The country office ensured that the partner signed their 2022 field-level agreements.  | While the country office established a standard operating procedure, the content and processes are not clear. The recommendation remains under implementation.  |                           | X                    |                 |                     |
| 17 | 2022 country office B para 19 | The External Auditor recommends that the country office consider implementing an electronic monitoring tool to increase the efficiency and effectiveness of the field monitoring team.                                  | The country office upgraded its electronic monitoring tool (logbook) in January 2023 and the first orientation session for programme staff was held in February 2023. All necessary modifications to the logbook were applied, including the updating of email notification recipients (e.g. tickets, and daily monitoring reports). An analysis report on the logbook activities was issued for the period January to May 2023, and was later replaced with an automated dashboard to generate live analysis of logbook data which is currently in use. In 2022, the country office reviewed and updated the logbook standard operating procedures/user manual, to ensure that monitoring activities and findings are documented, monitored and escalated timely. | The country office upgraded its electronic monitoring tool. The recommendation is considered to be implemented.   | X                         |                      |                 |                     |

| No | Report reference              | Recommendation  | Management response   | External Auditor's assessment  | Status after verification |                      |                 |                     |
|----|-------------------------------|---|---|--|---------------------------|----------------------|-----------------|---------------------|
|    |                               |   |   |  | Implemented               | Under implementation | Not implemented | Overtaken by events |
| 18 | 2022 country office B para 29 | The External Auditor recommends that the country office record all contract-relevant data of staff members and affiliates consistently, in both the personnel files and in WINGS and use file codes to record the personnel file documents in the e-registry.   | The country office completed the e-filing project with all files digitized and a coding system put in place. In addition, a checklist template for e-file documentation with coding guide was developed to be used for each file, master data for recruitment files with coding for each paper, and master data for staff electronic files checklist. This will ensure consistent coding and digitization process for all files on a continuous basis. Human resources related actions are processed by the Human Resources Assistant and approved by the Human Resources Officer, and supported documents are e-filed with reference codes.  | The country office digitized all personnel files and introduced a coding system. Additionally, it set in place a coding guide for the e-filing documentation. The recommendation is considered to be implemented.  | X                         |                      |                 |                     |
| 19 | 2022 country office B para 41 | The External Auditor recommends the country office follow the stipulations of the WFP Staffing Framework and the human resources manual and ensure that staff and not consultants fill posts with key functions and limit the employment of consultants to temporary, timebound services or the need of specific expertise. | The country office systematically reviewed the positions to assess its staffing needs for fixed term/consultants in accordance with the human resources manual and WFP Staffing Framework. The country office has taken measures and created and filled four international professional positions previously held by consultancies and abolished one position. In addition, two other positions were nationalized with staff already in place and certain consultants were discontinued. The remaining positions were critically reviewed and considered valid to meet the country office's short-term and specific needs and are in accordance with the WFP Staffing Framework and manual. | The country office conducted a review of the positions occupied by consultants, filled some with fixed-term staff and abolished one position. Only one unit is still headed by a consultant as a transitional measure. The country office should review this position in due course. The recommendation is considered to be implemented. | X                         |                      |                 |                     |
| 20 | 2022 country office B para 51 | The External Auditor recommends that the country office revise its fuel management instruction and include all mandatory steps and processes and then reissue it as a standard operating procedure.   | The country office revised its fuel management instructions and issued a standard operating procedure on the supply of fuel and control procedures on 21 March 2024. The standard operating procedure includes all mandatory activities including steps, responsibilities, and means of verification used for the submission, control and recording of fuel usage through e-cards in the Fleet Management System.   | The country office issued a comprehensive standard operating procedure on the supply of fuel and control procedures in March 2024. The recommendation is considered to be implemented.   | X                         |                      |                 |                     |

| No | Report reference              | Recommendation   | Management response   | External Auditor's assessment   | Status after verification |                      |                 |                     |
|----|-------------------------------|--|---|---|---------------------------|----------------------|-----------------|---------------------|
|    |                               |  |   |   | Implemented               | Under implementation | Not implemented | Overtaken by events |
| 21 | 2022 country office B para 63 | The External Auditor recommends that the country office clarify and resolve the inconsistency between the Fleet Management System and the supplier's database. | The country office is currently conducting monthly reconciliations between Fleet Management System and the supplier's fuel system, with inconsistencies detected due to minor currency exchange rates or decimal digits. While the country office is already conducting fuel reconciliations monthly, reconciliation procedures have been institutionalized in the supply of fuel and control procedures issued on 21 March 2024.   | The country office conducts monthly reconciliations between the Fleet Management System and the supplier's fuel system. The country office further included the reconciliation procedures in the standard operating procedure on the supply of fuel and control procedures. The recommendation is considered to be implemented. | X                         |                      |                 |                     |
| 22 | 2022 country office B para 65 | The External Auditor recommends that the country office explore options to reduce media breaks between the supplier's website and the Fleet Management System. | The country office has been coordinating with headquarters' Fleet Centre on the progress of the current work it is undertaking for Fleet Management System. The Fleet Centre has engaged an external service provider, which is also a fuel management system supplier, to automate the transfer of data from the supplier's database directly to the Fleet Management System, thus, improving data quality. The first phase of the project was completed in March 2024, with focus on assessing and defining the business requirements to enhance the fuel module. The second phase which involves the development of the fuel module is expected to be completed by September 2024. WFP will continue to monitor and report progress of this recommendation at the corporate level through the recommendation in para 65 of the External Auditor's fuel management review within the purview of the Management Services Division and the Supply Chain Division. | As headquarters is working on a solution to automate the transfer of data from the supplier's database directly to the Fleet Management System, the recommendation is considered to be overtaken by events.   |                           |                      |                 | X                   |

| No | Report reference              | Recommendation   | Management response  | External Auditor's assessment  | Status after verification |                      |                 |                     |
|----|-------------------------------|--|--|--|---------------------------|----------------------|-----------------|---------------------|
|    |                               |  |  |  | Implemented               | Under implementation | Not implemented | Overtaken by events |
| 23 | 2022 country office B para 67 | The External Auditor recommends that the country office establish additional control mechanisms to review the plausibility of fuel consumption.                            | The country office has various measures in place to control and monitor fuel consumption. These measures in addition to other new controls were institutionalized into standard operating procedures on the supply of fuel and control procedures issued on 21 March 2024 for fuel consumption reporting and key performance indicator monitoring to assess the plausibility of fuel usage. Furthermore, the country office arranged trainings and workshops for drivers to improve their capabilities (e.g. diagnosis strategy training course, technical service course and proud to be WFP driver). The country office is currently preparing a plan for several technical training courses to be assigned to drivers during 2024. The implementation date is 31 December 2024. | While the key performance indicator report highlights unusual data, the consequences of anomalies remain unclear. The planned training measures have not yet been implemented. The recommendation remains under implementation.                                |                           | X                    |                 |                     |
| 24 | 2022 country office B para 77 | The External Auditor recommends that the country office redraft its disaster recovery and business continuity plan and eliminate duplications in the plan.                 | The country office reviewed and redrafted the IT disaster recovery plan and business continuity in the first quarter of 2024 in line with current corporate guidelines and in consultation with headquarters experts.  | The country office redrafted its disaster recovery and business continuity plan, eliminated duplications and completed the systems overview and recovery procedures, and published the plan in April 2024. The recommendation is considered to be implemented. | X                         |                      |                 |                     |
| 25 | 2022 country office B para 79 | The External Auditor recommends that the country office conduct a stress test of its disaster recovery and business continuity plan in a timely manner.                    | The country office conducted stress tests systematically as part of the recently issued disaster recovery plan. A plan for 2024 is also put in place.  | The country office conducted frequent stress tests and provided the test results. The recommendation is considered to be implemented.  | X                         |                      |                 |                     |
| 26 | 2022 country office B para 81 | The External Auditor recommends that the country office include all scenarios relating to the defined risks and the names of emergency staff and essential critical staff. | The country office has incorporated scenarios in the disaster recovery plan and included emergency and critical staff lists in the document.   | The disaster recovery plan includes all scenarios related to the defined risks and lists emergency staff and critical staff. The recommendation is considered to be implemented.   | X                         |                      |                 |                     |

| No | Report reference              | Recommendation  | Management response   | External Auditor's assessment   | Status after verification |                      |                 |                     |
|----|-------------------------------|---|---|---|---------------------------|----------------------|-----------------|---------------------|
|    |                               |   |   |   | Implemented               | Under implementation | Not implemented | Overtaken by events |
| 27 | 2022 country office B para 93 | The External Auditor recommends that the country office develop uniform reporting standards for the helpdesks in the Azraq and Zaatari camps. | The country office implemented a ticketing system at the end of 2022. All complaints received through the call centre, helpdesks, and Facebook were centralized in one ticketing system with uniformed reporting standards, in accordance with the complaints feedback mechanism guideline matrix. A centralized feedback mechanism report is produced on a monthly basis and includes all sources. | The country office implemented a ticketing system for all complaints. The country office also produced a monthly complaints and feedback mechanisms report. The recommendation is considered to be implemented. | X                         |                      |                 |                     |
| 28 | 2022 country office B para 95 | The External Auditor recommends that the country office introduce a ticketing system for the helpdesks in the Azraq and Zaatari camps.        | In October 2022, the country office implemented a complaints and feedback mechanism ticketing system for the partner helpdesks in the Azraq and Zaatari camps. On-the-job training was conducted for all helpdesk staff and the updated feedback mechanism standard operating procedures and guideline matrix on the description of issues was disseminated for reference.                          | The country office introduced a complaints and feedback mechanism ticketing system for the helpdesks in the Azraq and Zaatari camps. The recommendation is considered to be implemented.                        | X                         |                      |                 |                     |

| No | Report reference              | Recommendation  | Management response  | External Auditor's assessment   | Status after verification |                      |                 |                     |
|----|-------------------------------|---|--|---|---------------------------|----------------------|-----------------|---------------------|
|    |                               |   |  |   | Implemented               | Under implementation | Not implemented | Overtaken by events |
| 29 | 2022 country office B para 97 | The External Auditor recommends that the country office examine the beneficiaries' requests with a view to identifying recurring, systematic issues and to preparing coordinated responses to them. | The country office monitors and addresses the issues raised from the affected population on a daily basis and resolves with relevant stakeholders in different fora such as the operational meetings, tickets raised, etc., and documents the results every month in the feedback mechanism monthly report. The report includes trend analysis over the months from all channels capturing recurrent and systematic issues and informs operational and strategic planning for feedback mechanism and other units. The standard operating procedure defines clearly the roles and responsibilities of the Feedback Mechanism Manager and other relevant staff, including updating of beneficiaries to close the loop. The responses to beneficiaries are provided through multiple platforms - hotline calls, Facebook, electronic messages, etc., depending on the nature of the issue. The head of programme and other country office stakeholders are updated on the overview of incoming calls, tickets, and Facebook insights. Such platforms facilitate escalation of unresolved tickets, resolution on cross-functional and structural issues impacting beneficiaries. | The country office provided a summary of recurring issues in the monthly reports and, if applicable, recommendations. The recommendation is considered to be implemented. | X                         |                      |                 |                     |

| No | Report reference              | Recommendation   | Management response  | External Auditor's assessment   | Status after verification |                      |                 |                     |
|----|-------------------------------|--|--|---|---------------------------|----------------------|-----------------|---------------------|
|    |                               |  |  |   | Implemented               | Under implementation | Not implemented | Overtaken by events |
| 30 | 2018 country office B         | The External Auditor recommends that the country office continue to hold meetings with the host state to document the terms of a contribution.   | In line with the agreement between WFP and the host government, the country office regularly updates the Government on plans to reduce assistance and retarget beneficiaries due to funding shortfalls and national shocks. The current environment hinders discussions on the host government's cash contribution, which was not specified in the basic agreement. The country office acknowledges the significant in-kind support from the host government for operations in-country and Gaza. Despite potential funding shortfalls in 2024, the country office is committed to supporting WFP Palestine with a new corridor to complement the Egyptian corridor for Gaza. | The objective of the recommendation is that the country office regularly meets with the host State and follows the stipulations of the host agreement. While the country office stated that it engaged with the Government regularly, it did not provide any evidence. The recommendation remains under implementation. |                           |                      | X               |                     |
| 31 | 2022 country office C para 97 | The External Auditor recommends that the country office track and record development costs for internally generated software.  | The country office enhanced the process of tracking and recording of development costs for internally generated software and reviewed all costs noting that none has reached the threshold for capitalizable assets.   | The External Auditor takes note of the enhanced tracking and recording of development costs. The recommendation is considered to be implemented.  | X                         |                      |                 |                     |
| 32 | 2022 country office C para 22 | The External Auditor recommends that the country office dispose assets recorded as property, plant and equipment when no future economic benefits or service potential are expected, perform physical verification procedures in a manner to identify such assets. | The country office completed a physical count of assets and reconciliation of assets exercise in November 2023 and obtained approval to dispose unused assets from the local Property Survey Board. The disposal process will be carried out through auction or sale with a timeline of July 2024.   | The country office initiated actions to identify and dispose assets with no expected future economic benefits or service potential. However, the disposal process is not yet completed. Therefore, the recommendation remains under implementation.   |                           |                      | X               |                     |
| 33 | 2022 country office C para 23 | The External Auditor recommends that the country office analyse if external storage rooms can be reduced in case that only assets without value are stored.  | As of 1 January 2024, the country office discontinued the leasing agreement for external storage space, following the review and disposal of unused assets.  | The country office reduced its external storage rooms. The recommendation is considered to be implemented.  | X                         |                      |                 |                     |
| 34 | 2022 country office C para 27 | The External Auditor recommends that the country office further review the data in the GEMS and follow-up with headquarters to ensure the accuracy of data.  | The country office performs routine checks of discrepancies when issuing asset reports to ensure optimal data accuracy.  | The country office reviewed the GEMS with regard to the accuracy of data and intends to perform regular checks. The recommendation is considered to be implemented.   | X                         |                      |                 |                     |

| No | Report reference              | Recommendation  | Management response   | External Auditor's assessment  | Status after verification |                      |                 |                     |
|----|-------------------------------|---|---|--|---------------------------|----------------------|-----------------|---------------------|
|    |                               |   |   |  | Implemented               | Under implementation | Not implemented | Overtaken by events |
| 35 | 2022 country office C para 35 | The External Auditor recommends that the country office regularly review its supplier roster and ensure that the supplier data is up to date and complete.  | The country office regularly reviews and updates its supplier roster, which is a living document updated on a daily basis. The country office stated that it had completed information for suppliers registered in WINGS.   | The External Auditor notes that the roster is still incomplete, information such as legal documents is sometimes missing. The roster serves as the basis for inviting suppliers to tenders. Therefore, it is crucial that minimum requirements are met. Moreover, the country office did not provide information about its reviews. The recommendation remains under implementation. |                           | X                    |                 |                     |
| 36 | 2022 country office C para 41 | The External Auditor recommends that the country office develop and request sustainable technical specifications for upcoming tenders.  | The country office applies sustainable procurement in all applicable tenders, and the specifications are indicated in the solicitation documents and guidelines.  | The country office provided a sample of tenders with sustainable specifications. The recommendation is considered to be implemented.   | X                         |                      |                 |                     |
| 37 | 2022 country office C para 47 | The External Auditor recommends that the country office consistently follow a structure for its digital personnel files and ensure that all relevant documents are filed completely and are up to date. | The country office established a new filing structure which is applied to all staff.  | The country office established a new filing structure. The recommendation is considered to be implemented.   | X                         |                      |                 |                     |
| 38 | 2022 country office C para 56 | The External Auditor recommends that the country office employ staff members for management positions such as head of unit instead of affiliates.   | The country office established regular positions for the key positions through the completed organizational realignment. Almost all heads of units hold fixed-term contracts and oversee core national functions. The TEC unit will have an international fixed-term head of unit by October 2024. The supply chain head of unit remains headed by an international consultant. New management will look into the staffing structure and will consider future decisions, also based on the funding constraints. | The External Auditor acknowledges that most heads of units hold fixed-term contracts. As some units are still headed by consultants, the recommendation remains under implementation.  |                           | X                    |                 |                     |
| 39 | 2022 country office C para 57 | The External Auditor recommends that the country office ensure that the human resources master data in WINGS match with the underlying documents.   | The country office reviewed and aligned the master data in WINGS with the underlying documentation.   | The country office reviewed and corrected the data. The recommendation is considered to be implemented.  | X                         |                      |                 |                     |



| No | Report reference              | Recommendation   | Management response   | External Auditor's assessment   | Status after verification |                      |                 |                     |
|----|-------------------------------|--|---|---|---------------------------|----------------------|-----------------|---------------------|
|    |                               |  |   |   | Implemented               | Under implementation | Not implemented | Overtaken by events |
| 40 | 2022 country office C para 64 | The External Auditor recommends that the country office analyse its demand for vehicles, taking into account the mileage of each vehicle, in order to optimize its fleet.  | The country office analysed its demand for vehicles and requested a fleet optimization mission which is postponed due to the arising conflicts taking priorities. The country office initiated the decommissioning of vehicles that reached end of life. The country office plans to implement the recommendation by December 2024. | The country office is still in the process to optimize its fleet. The recommendation remains under implementation.  |                           | X                    |                 |                     |
| 41 | 2022 country office C para 75 | The External Auditor recommends that the country office redraft its disaster recovery plan to include detailed disaster scenarios, recovery and restore procedures, a description of the network suppliers as well as dependencies on third-party providers. | The country office revised the disaster recovery plan which was approved by the country director in April 2024.   | The country office redrafted its disaster recovery plan and included the missing information. The recommendation is considered to be implemented.   | X                         |                      |                 |                     |
| 42 | 2022 country office C para 76 | The External Auditor recommends that the country office maintain and test its disaster and recovery plan periodically.   | The country office tested the disaster and recovery plan in April 2024 and aims to perform periodic testing bi-annually.  | The country office tested the disaster and recovery plan in April 2024 and plans to perform periodic tests. The recommendation is considered to be implemented.   | X                         |                      |                 |                     |
| 43 | 2022 country office F para 20 | The External Auditor recommends that the country office review its staff planning process to reduce budget deviations.   | The country office reviewed the staff planning process in an effort to reduce budget deviations and completed the analysis and alignment for staff costs.   | The country office conducted a staff cost analysis of budget versus actuals for the years 2023 and 2024 to evaluate its budget accuracy. The recommendation is considered to be implemented.  | X                         |                      |                 |                     |
| 44 | 2022 country office F para 21 | The External Auditor recommends that the country office ensure that staff costs are posted in the correct general ledger accounts to ensure proper plan vs actual deviation analyses.  | The country office confirms that staff costs are being posted automatically by the Quantum system in the correct general ledger account.  | The country office posts staff costs in the correct general ledger account. The recommendation is considered to be implemented.   | X                         |                      |                 |                     |
| 45 | 2022 country office F para 27 | The External Auditor recommends that the country office review the internal process of service entry sheet postings and ensure compliance with WFP guidelines and procedures.  | The country office reviewed service entry postings to ensure compliance with WFP guidelines and processes. The country office conducts a weekly meeting to monitor open items, and the requesting units review all open purchase orders every month to post service entry sheets.   | The country office enhanced its service entry sheet postings following its standard operating procedure hereon. In addition, the country office meets periodically to monitor open items. The recommendation is considered to be implemented. | X                         |                      |                 |                     |

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|    |                               |   |  |   | Implemented               | Under implementation | Not implemented | Overtaken by events |
| 46 | 2022 country office F para 38 | The External Auditor recommends that the country office amend its standard operating procedure on school-meal programmes.   | The country office updated the home-grown school meals programme standard operating procedures.  | The country office provided its revised standard operating procedure on school-meal programme. The recommendation is considered to be implemented.                    | X                         |                      |                 |                     |
| 47 | 2022 country office F para 39 | The External Auditor recommends that the country office implement controls to prevent exceeding the budget of memoranda of understanding without documentation of the reasons or updating the memoranda of understanding. | The country office established controls for all country office memoranda of understanding by preparing an memoranda of understanding tracking sheet, which is updated on a regular basis.  | The country office monitors budget versus actuals to control budgets specified in the memoranda of understanding. The recommendation is considered to be implemented. | X                         |                      |                 |                     |
| 48 | 2022 country office F para 48 | The External Auditor recommends that the country office reconcile WINGS fuel expenses and Fleet Management System fuel cost data on a regular basis.  | The country office rolled out the fuel application "Fleet Wave Driver Advanced" on 20 February 2024. The corporate automated tool feeds directly into the Fleet Management System, fuel cost data is streamlined, and regular reconciliation is carried out. Steps are mapped in the draft fuel management standard operating procedure. | The country office improved its processes for fuel costs. The recommendation is considered to be implemented.   | X                         |                      |                 |                     |

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|    |                               |  |   |   | Implemented               | Under implementation | Not implemented | Overtaken by events |
| 49 | 2022 country office F para 49 | The External Auditor recommends that the country office analyse how to reduce media breaks and how to introduce automatic fuel invoice data entry for its Fleet Management System.   | The country office has been coordinating with the headquarters' Fleet Centre on the progress of the current work it is undertaking for Fleet Management System. The Fleet Centre has engaged an external service provider, which is also a fuel management system supplier, to automate the transfer of data from the supplier's database directly to Fleet Management System, thus improving data quality. The first phase of the project was completed in March 2024, with focus on assessing and defining the business requirements to enhance the fuel module. The second phase which involves the development of the Fleet Management System fuel module is expected to be completed by September 2024. WFP will continue to monitor and report progress of this recommendation at the corporate level through the recommendation in paragraph 65 of the External Auditor's fuel management review within the purview of the Management Services Division and the Supply Chain Division. | As headquarters is working on a solution to automate the transfer of data from the supplier's database directly to the Fleet Management System, the recommendation is considered to be overtaken by events. |                           |                      |                 | X                   |
| 50 | 2022 country office F para 50 | The External Auditor recommends that the country office update the standard operating procedure Country F/2017/001 with regard to Fleet Management System fuel data entry, to Fleet Management System/WINGS reconciliation and to fuel data monitoring activities. | The country office updated the WFP country standard operating procedure on fuel management with regard to Fleet Management System fuel data entry, WINGS reconciliation and monitoring activities.  | The country office provided the approved and updated standard operating procedure. The recommendation is considered to be implemented.  | X                         |                      |                 |                     |
| 51 | 2022 country office D para 19 | The External Auditor recommends that the country office establish a review mechanism for its standard operating procedures.  | The country office established a standard operating procedure review committee and completed the review of existing standard operating procedures. The country office conducted a workshop to provide guidance to all standard operating procedure focal points on the need to standardize the standard operating procedures and migrate to the corporate template according to the Executive Director Circular (OED2015/011).  | In spring 2024, the country office reviewed the existing standard operating procedures and conducted a workshop to standardize the procedures. The recommendation is considered to be implemented.          | X                         |                      |                 |                     |

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|    |                               |   |  |   | Implemented               | Under implementation | Not implemented | Overtaken by events |
| 52 | 2022 country office D para 28 | The External Auditor recommends that the country office proceed with its cooperation with other United Nations agencies in the country to achieve a standardized process for value added tax (VAT) refunds. | The country office continues to work with other United Nations agencies who, together, meet regularly with the Ministry of Finance, and they to ensure that VAT reimbursements are done regularly. In 2023, the Country Office received a total amount of USD 1,407,719.15 related to certain 2023 VAT claims, noting that the Government does not reimburse following a monthly sequence.   | The country office together with the Food and Agriculture Organization of the United Nations received VAT refunds from the Ministry of Finance on a yearly basis, the latest for the year 2023. The recommendation is considered to be implemented. | X                         |                      |                 |                     |
| 53 | 2022 country office D para 36 | The External Auditor recommends that the country office review the partnership agreements with the aim to reduce the number of short-term amendments and the number of direct selections of partners.       | The country office established the cross-functional field-level agreement process review task force to review processes, identify bottlenecks and propose solutions. The field-level agreement tracker has been developed and the relevant standard operating procedures are being updated. The country office plans to implement the recommendation by 30 September 2024.   | The External Auditor takes note of the steps taken. As the country office has not reviewed the processes and the field-level agreements yet, the recommendation remains under implementation.   |                           | X                    |                 |                     |
| 54 | 2022 country office D para 42 | The External Auditor recommends that the country office continue its efforts to clean up its list of suppliers, correct incorrect entries and remove vendors that did not submit the requested information. | The country office cleaned up its list of suppliers with clean documentation and finalized the vendor revalidation with the approval of 709 vendors with clean documentation under Vendor Management Committee in July 2023. Vendor registration is a continuous exercise and currently the country office has 1,028 vendors in the roster. Consecutive Vendor Management Committees conducted thereafter can be evidence for the total number of vendors in the roster currently. | In 2023, the country office cleaned up its supplier rosters for cash-based transfers, for food procurement, and for goods and services. It continued with reviews in 2024. The recommendation is considered to be implemented.                      | X                         |                      |                 |                     |
| 55 | 2022 country office D para 48 | The External Auditor recommends that the country office develop and publish clear specifications for solicitations and evaluate criteria that suppliers have to fulfil on a pass/fail-basis.                | The country office ensures that the solicitation documents include clear specifications for goods and scope of work for services before initiating the procurement process. Moreover, the selection of retailers for cash-based transfers is performed using the retailers on-boarding and contract platform implemented in 2023 and retailers are vetted by the Vendor Management Committee.  | The country office provided examples of solicitations. The recommendation is considered to be implemented.  | X                         |                      |                 |                     |

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|    |                               |   |   |  | Implemented               | Under implementation | Not implemented | Overtaken by events |
| 56 | 2022 country office D para 55 | The External Auditor recommends that the country office analyse its micro purchase orders to identify options for consolidation of requirements.  | The country office analysed its micro purchase orders, prepared the annual procurement plan at the beginning of each year and conducted a micro purchase order assurance exercise each quarter. The country office established over 35 long-term agreements for different goods and services.   | The analysis does not show the areas in which the country office identified options for consolidation. Moreover, it only covers the first six months of the respective years. The recommendation remains under implementation. |                           | X                    |                 |                     |
| 57 | 2022 country office D para 56 | The External Auditor recommends that the country office strive to receive at least three quotations that meet the requirements before issuing a micro purchase order. If that is not possible, a note to the file should be attached for justification. | The country office strived to enhance the micro purchase order process and provided training to over 70 colleagues on basic procurement rules and procedures in 2022 including on-site training to micro purchase order focal persons. The country office also shared the standard operating procedure on micro purchase order usage in November 2022. In addition, the corresponding regional bureau delivered a refresher training to all micro purchase order focal persons in April 2024. | The External Auditor reviewed a sample of micro purchase orders and noted that the regional bureau achieved to receive at least three quotations in most cases. The recommendation is considered to be implemented.            | X                         |                      |                 |                     |
| 58 | 2022 country office D para 62 | The External Auditor recommends that the country office record all relevant data to the corresponding sub-folder of the personnel e-files; and use a naming convention for documents in e-files indicating their content.                               | The human resources team digitized all the personnel-related documents and divided them into subfolders as per recommendations. In addition, the country office performed a comprehensive review of its filing system and developed a new standard operating procedure, which will be submitted for the country director's approval, to ensure consistency and further enhancing its processes. The country office plans to implement the recommendation by August 2024.                      | The country office is in the process of enhancing the personnel e-files. The recommendation remains under implementation.  |                           | X                    |                 |                     |
| 59 | 2022 country office D para 72 | The External Auditor recommends that the country office continue to regularize posts in line with staffing needs and the stipulations of the Staffing Framework.  | The country office started an organizational alignment review earlier this year aiming at aligning the country strategic plan to the country office structure. The review was finalized in April 2024 and is expected to result to the change in contract/grade/level of 94 positions upon full implementation. Some of the recommended changes will be deferred  | The country office recently reviewed its organizational structure. The External Auditor encourages the country office to continue with the review and to regularize posts. The recommendation is considered to be implemented. | X                         |                      |                 |                     |

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|    |                               |   |   |  | Implemented               | Under implementation | Not implemented | Overtaken by events |
|    |                               |   | due to the current context of funding limitations.  |  |                           |                      |                 |                     |
| 60 | 2022 country office D para 81 | The External Auditor recommends that the country office review and possibly revise its processes to enter data into the Fleet Management System to ensure correct and complete entries. In particular, the country office should decide on how to monitor and record its use of motorcycles and their fuel consumption. | The country office reviewed its processes. The driver uses the mobile app for vehicles and the Fleet Management System focal point validates it while maintaining a manual process for motorbikes. The country office provided trainings to the Fleet Management System focal points and is currently working with sub-office monitors on mitigation measures.  | The External Auditor takes note of the country office's decision to maintain the manual process for motorbikes. The External Auditors requests the country office to ensure adequate control mechanisms. The recommendation is considered to be implemented.   | X                         |                      |                 |                     |
| 61 | 2022 country office D para 82 | The External Auditor recommends that the country office ensure that purchase orders are approved before the purchase of fuel.   | The country office established a new long-term agreement and created purchase orders for the purchase of fuel. The country office is also monitoring the creation of purchase orders. The country office is also strengthening its procedures to ensure timely recording of financial commitments before the use of services and to avoid such overlaps.  | The External Auditor reviewed the purchase orders raised for fuel at the beginning of 2024 and noted that the regional bureau only approved them in WINGS after it had started to purchase fuel. The External Auditor takes note of the planned steps to sensitive staff. The recommendation remains under implementation. |                           | X                    |                 |                     |
| 62 | 2022 country office E para 21 | The External Auditor recommends that the country office establish internal controls to ensure that financial transactions are recorded in accordance with the financial regulations.  | The country office strengthened internal controls to ensure accurate recording of financial transactions, and reviewed transactions from the initial stage of purchase requisition creation to the final stage. The country office has been conducting International Public Sector Accounting Standards training for all spending units twice a year. The country office also rectified the mis-posting of cooperating partner expenditures and VAT transactions. | The country office improved its processes. The recommendation is considered to be implemented.   | X                         |                      |                 |                     |

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|    |                               |  |   |   | Implemented               | Under implementation | Not implemented | Overtaken by events |
| 63 | 2022 country office E para 27 | The External Auditor recommends that the country office report to headquarters that the approval for sale is required to avoid damages of the vehicles and financial losses when selling the vehicles that have been taken out of service. | The country office, with support from headquarters and the local Property Survey Board, conducted the disposal of vehicles in June 2023 and another disposal is planned for the second quarter of 2024.   | The country office conducted two auctions for vehicles. The External Auditor notes that the approval process for the disposal is still lengthy. The recommendation is considered to be implemented. | X                         |                      |                 |                     |
| 64 | 2022 country office E para 38 | The External Auditor recommends that the country office provide solid justification when a competitive procedure is waived.  | The country office provides solid justifications on all waivers after all the spending units have been notified of the requirement to provide well-documented and strong justifications as per corporate rules and regulations. The country office issued a reminder to the spending units to ensure consistent compliance with this requirement.                   | The country office provided notes for records as examples. The recommendation is considered to be implemented.  | X                         |                      |                 |                     |
| 65 | 2022 country office E para 50 | The External Auditor recommends that the country office revise the standard operating procedure on fuel management.  | The country office established and finalized the standard operating procedures on fuel management to reflect the current process and update the Fleet Management System data and it is updated annually.  | The country office provided the approved standard operating procedure on fuel management. The recommendation is considered to be implemented.   | X                         |                      |                 |                     |
| 66 | 2022 country office E para 51 | The External Auditor recommends that the country office adjust data entries in the Fleet Management System and establish internal controls to ensure correctness and integrity of data.  | The country office adjusted data entries in the Fleet Management System and established internal controls to ensure correctness and integrity of data. All fuel data in the Fleet Management System report is reconciled with the supplier report, reviewed and signed by the fleet manager and the Management Systems Officer, and validated by the fleet manager. | The country office reviewed and reconciled the data entries in the Fleet Management System. The recommendation is considered to be implemented.   | X                         |                      |                 |                     |
| 67 | 2022 country office E para 56 | The External Auditor recommends that the country office decommission the E-Archive and move to a corporate solution.   | The country office decommissioned the E-Archive system from the WFP corporate application and removed it from the WFP country network infrastructure as of 1 December 2022.   | The country office decommissioned the E-Archive, disconnected the server from the network and stored respective data in a SharePoint. The recommendation is considered to be implemented.           | X                         |                      |                 |                     |

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|    |                               |   |   |   | Implemented               | Under implementation | Not implemented | Overtaken by events |
| 68 | 2022 country office E para 63 | The External Auditor recommends that the country office redraft its disaster recovery plan, keep it up to date and conduct regular stress tests.  | The country office redrafted the IT disaster recovery plan to be compliant with ISO 27001. The disaster recovery and business continuity plan is revised periodically whenever any change happens and following any gap identified during the stress test to ensure its effectiveness and identify gaps during testing to be documented and subsequently addressed.           | The country office updated its disaster recovery plan in January 2023. The External Auditor encourages the country office to review the plan regularly. The recommendation is considered to be implemented.   | X                         |                      |                 |                     |
| 69 | 2022 country office E para 80 | The External Auditor recommends that the country office move the IT emergency toolkit to a well-known location, label it as emergency equipment and ensure complete, operational and good conditioned equipment according to the disaster recovery plan.              | The country office moved the IT emergency tool kit to a central well-known location and the location is labelled. The equipment in the emergency tool kit is tested on regular basis as per the disaster recovery and business continuity plan.   | Appendix G of the disaster recovery plan lists the emergency inventory. The country office demonstrated the storage of emergency inventory. The recommendation is considered to be implemented.   | X                         |                      |                 |                     |
| 70 | 2022 country office E para 81 | The External Auditor recommends that the country office keep the fuel tanks of the two generators always filled up.   | The country office ensures that fuel tanks for the two generators are maintained and always filled up. They are kept in a shaded area in the parking premises where the generators are also located.  | The country office has provided evidence that the tanks of the generators were filled up. The recommendation is considered to be implemented.   | X                         |                      |                 |                     |
| 71 | 2022 country office E para 82 | The External Auditor recommends that the country office provide a list of staff authorized to access at the entrance to the data centre, install a remotely controlled thermometer, an additional light as well as a fire extinguisher and remove flammable material. | The country office printed and marked the list of staff members with access to the data centre on the data centre door. It also installed additional light in the data centre and a thermometer to send alerts when the temperature exceeds the threshold temperature set of 22 degrees Celsius. The country office also placed the fire extinguisher inside the data centre. | The country office installed fire extinguishers, a thermometer and provided a list of authorized staff. The recommendation is considered to be implemented.   | X                         |                      |                 |                     |
| 72 | 2022 country office G para 24 | The External Auditor recommends that the country office strengthen internal controls to safeguard assets and inventories and ensure that the annual physical count and reconciliation results in complete and accurate reconciliation of all assets and inventories.  | The country office strengthened internal controls by installing security surveillance and access control. In addition, annual asset count and reconciliation exercises for 2023 were performed successfully and ensured timely completeness and accuracy.   | In November 2023, the country office completed the annual physical count and initiated actions on unreconciled assets. The country office also provided evidence that measures were put in place to safeguard assets. The recommendation is considered to be implemented. | X                         |                      |                 |                     |



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|    |                               |  |  |   | Implemented               | Under implementation | Not implemented | Overtaken by events |
| 73 | 2022 country office G para 33 | The External Auditor recommends that the country office enhance internal controls to avoid the need to initiate post factum purchase orders.   | The country office carried out an analysis and inventory of post factum purchases. This effort will strengthen internal controls and avoid the need to initiate post factum purchase orders. The country office is also conducting employee awareness campaigns within its staff to avoid the post factum process. | The External Auditor takes note of the described measures. As the country office has not provided the results of the analysis and corrective measures, the recommendation remains under implementation.               |                           | X                    |                 |                     |
| 74 | 2022 country office G para 40 | The External Auditor recommends that the country office designate and train alternate micro purchase order focal points according to Executive Director Circular OED 2022/005; and that it considers implementing a standard operating procedure on micro purchase orders. | The country office appointed and trained alternate micro purchase order focal points. The standard operating procedure is in the process of being finalized. The country office plans to implement the recommendation by 15 July 2024.   | As the standard operating procedure is not approved, the recommendation is considered to be under implementation.   |                           | X                    |                 |                     |
| 75 | 2022 country office G para 48 | The External Auditor recommends that the country office comply with the WFP goods and services procurement manual and evaluate the performance of vendors holding multi-year contracts for goods and services at least once per year.                                      | In compliance with the goods and services procurement manual, the country office completed an evaluation of the safeguard security services vendor in two succeeding years, July 2023 and June 2024, which is the only multi-year contract vendor that the country office has contracted.                          | The country office evaluated the supplier's performance of its only multi-year contract and reported the result to the contract holder. The recommendation is considered to be implemented.                           | X                         |                      |                 |                     |
| 76 | 2022 country office G para 57 | The External Auditor recommends that the country office redraft its disaster recovery plan, keep it up to date and conduct regular stress tests.   | The country office management is completing the final review of the redrafted disaster recovery plan. The country office will conduct stress tests upon approval. The country office plans to implement the recommendation by 30 September 2024.   | The External Auditor takes note of the disaster recovery plan drafted in November 2023. As it is not approved and the country office has not conducted stress tests, the recommendation remains under implementation. |                           | X                    |                 |                     |
| 77 | 2022 country office G para 87 | The External Auditor recommends that the country office put up a list of staff authorized to access its new data centre at the new premises and install a remote-controlled thermometer.   | The country office issued a list of authorized staff to access the new data centre and installed remote-controlled thermometers successfully.  | The country office set up the list of authorized staff and uses a remote-controlled thermometer. The recommendation is considered to be implemented.  | X                         |                      |                 |                     |

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|    |                                |  |  |   | Implemented               | Under implementation | Not implemented | Overtaken by events |
| 78 | 2022 regional bureau B para 18 | The External Auditor recommends that the regional bureau establish a review procedure for its standard operating procedures.                                       | The regional bureau revised the procedure for standard operating procedures in which all standard operating procedures in the regional bureau master list that are five years and older were reviewed to determine their relevance. The standard operating procedures that were still relevant were updated and those that were no longer relevant were cancelled. | The regional bureau updated its standard operating procedure master list. The recommendation is considered to be implemented.   | X                         |                      |                 |                     |
| 79 | 2022 regional bureau B para 27 | The External Auditor recommends that the regional bureau clean up the GEMS register and accelerate the disposal of unused and broken equipment.                    | The Regional Bureau completed two data cleaning exercises which pertained mostly to IT equipment and disposed unused assets through various disposal methods.  | The Regional Director approved the disposal of 238 equipment. The recommendation is considered to be implemented.   | X                         |                      |                 |                     |
| 80 | 2022 regional bureau B para 36 | The External Auditor recommends that the regional bureau analyse the reason for its high number of exceptions from competitive tendering (waivers).                | The regional bureau analysed the high number of waivers, and as a result lowered the total amount of waived purchase orders by 59 percent, from 37 in 2022 to 15 in 2023, through the execution of long-term agreements in several categories including IT, accommodations and conferencing, security and rural transformation kits.                               | The regional bureau analysed the total amount of waivers and lowered them by more than half. The recommendation is considered to be implemented.  | X                         |                      |                 |                     |
| 81 | 2022 regional bureau B para 38 | The External Auditor recommends that the regional bureau prepare a regional procurement plan for 2023 and analyse whether needs of the region can be consolidated. | The regional bureau issued a procurement plan providing guidelines to the relevant units which was reviewed by the Regional Procurement Officer, cleared by the head of supply chain and approved by the regional director.  | The regional bureau consolidated the plans of seven country offices and plans to establish four agreements. The External Auditor urges the regional bureau to request procurement plans by all country offices. The recommendation is considered to be implemented. | X                         |                      |                 |                     |

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|    |                                |  |   |   | Implemented               | Under implementation | Not implemented | Overtaken by events |
| 82 | 2022 regional bureau B para 45 | The External Auditor recommends that the regional bureau strive to receive at least three quotations that meet the requirements before issuing a micro purchase order. If that is not possible, a note to the file has to be attached for justification. | The regional bureau undertook measures to increase efforts in receiving at least three quotations before issuing a micro purchase order which includes providing training to most of the focal points that generate micro purchase orders; the use of notes for the record in documenting approval requests noting the requirement of at least three quotations; issuance of an assurance statement for the waiver process; and issuance of a standard operating procedure to provide guidance and procedures for handling the micro purchase order process in the regional bureau. | The External Auditor reviewed a sample of micro purchase orders and noted improved documentation. The regional bureau should ensure that a note for the record is always attached if less than three quotations are obtained. The recommendation is considered to be implemented. | X                         |                      |                 |                     |
| 83 | 2022 regional bureau B para 51 | The External Auditor recommends that the regional bureau record all relevant data to the corresponding sub-folder of the personnel e-files; and use a naming convention for documents in e-files indicating their content.                               | The regional bureau cleaned up the e-filing system and implemented a naming convention for documents in the e-files and approved by the Human Resources Officer in charge. For personnel who joined years ago, documents not previously on file have been noted and appended to the sign-off.   | The regional bureau cleaned up its personnel e-files. The recommendation is considered to be implemented.   | X                         |                      |                 |                     |
| 84 | 2022 regional bureau B para 56 | The External Auditor recommends that the regional bureau finalize the draft of the new disaster recovery plan by inserting all open chapters and approve it as soon as possible.   | The regional bureau revised the disaster recovery plan document to include all requirements for the period of September 2023 to August 2024.  | The disaster recovery plan with all chapters was approved in October 2023. The recommendation is considered to be implemented.  | X                         |                      |                 |                     |
| 85 | 2022 regional bureau B para 57 | The External Auditor recommends that the regional bureau include detailed disaster scenarios, recovery and restoration procedures in the new disaster recovery plan.   | The regional bureau revised the disaster recovery plan to include the detailed disaster scenarios, recovery and restoration procedures for the period of September 2023 to August 2024.   | The regional bureau included the missing parts in the plan. The recommendation is considered to be implemented.   | X                         |                      |                 |                     |

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|    |                                |  |  |   | Implemented               | Under implementation | Not implemented | Overtaken by events |
| 86 | 2022 regional bureau B para 58 | The External Auditor recommends that the regional bureau explore further options for agreements for the provision of fuel across the country, in particular by contacting the main fuel companies in the country and by following up with UNFPA.                   | The regional bureau extended the contract with its current fuel supplier, until November 2024. The regional bureau is working on a long-term agreement with another supplier, which has wider coverage in the country, but is facing challenges in negotiating on WFP's terms and conditions. The regional bureau is now exploring the feasibility of using standard bank prepaid petrol/fuel cards as an alternative solution. The regional bureau plans to implement the recommendation by 30 August 2024. | The regional bureau is working on a long-term agreement with another supplier and exploring the feasibility of using prepaid fuel cards. The recommendation is considered to be implemented.  | X                         |                      |                 |                     |
| 87 | 2022 regional bureau A para 20 | The External Auditor recommends that the regional bureau establish a consolidated, cross-functional overview of its support services and oversight activities to summarize the overall role and mission of the regional bureau in a clear and reconcilable manner. | The regional bureau, in line with the framework for management oversight, developed a regional planner dashboard to track all missions and differentiate between support, oversight and other types of activities. In addition, the implementation of oversight recommendations is monitored through the risk and recommendation tracking tool.  | The External Auditor appreciates the regional planner dashboard and encourages the regional bureau to link the activities with costs. The recommendation is considered to be implemented.   | X                         |                      |                 |                     |
| 88 | 2022 regional bureau A para 21 | The External Auditor recommends that the regional bureau strengthen its oversight role through inclusion of financial monitoring in programmatic oversight activities.   | During oversight missions, the regional bureau covers all programmatic activities to review processes, internal controls, and tools used. In addition, the regional bureau performs a risk-based analysis monthly which includes the Resource Management Committee. Governance and independent oversight and fundraising is a major budget line in the programme support and administrative budget allocation reflecting investment in oversight activities.   | The regional bureau included financial monitoring in its oversight missions and used the financial checklist. The regional bureau also conducted a risk-based analysis regularly. The recommendation is considered to be implemented. | X                         |                      |                 |                     |
| 89 | 2022 regional bureau A para 29 | The External Auditor recommends that the regional bureau ensure that all standard operating procedures meet a certain quality standard, are signed and dated and are reviewed in due course.   | The regional bureau prepared a standard operating procedure guidance for drafting standard operating procedures which describes the purpose and structure of standard operating procedures, delegation of authority in approving/cancelling, and scope of circulation, which will make all standard operating procedures follow the same format, meet the same level of quality and include all necessary details.   | The regional bureau established a standard operating procedure to meet the quality standards. The External Auditor expects a regular review of the standard operating procedures. The recommendation is considered to be implemented. | X                         |                      |                 |                     |

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|----|--------------------------------|---|--|---|---------------------------|----------------------|-----------------|---------------------|
|    |                                |   |  |   | Implemented               | Under implementation | Not implemented | Overtaken by events |
| 90 | 2022 regional bureau A para 30 | The External Auditor recommends that the regional bureau centrally track all standard operating procedures and other instructions and make them available to all staff. | The regional bureau standard operating procedures are tracked and archived by the risk management and compliance unit, and they are all stored in SharePoint, filed by functional units making access for all staff easy and quick.  | The regional bureau stores standard operating procedures in a SharePoint sorted by function, year and name. The recommendation is considered to be implemented.         | X                         |                      |                 |                     |
| 91 | 2022 regional bureau A para 40 | The External Auditor recommends that the regional bureau accelerate the disposal of its unused and broken equipment.  | After finalization of the physical count and reconciliation of assets 2022, corrective action was taken. The list of disposals was prepared pending recommendations from the relevant team at headquarters and guidance on disposal modality (which was provided in February 2024). Also, the regional bureau initiated a joint disposal with the Egypt country office (for cost efficiency measures, which unfortunately delayed the process of disposal due to conflicting operational needs of the two offices). However, because of the Palestine emergency operations whereby many of the assets proposed for disposal were reviewed for operational needs and made operative once more, the regional bureau decided to undertake disposal 2022 and 2023 (combined), in the fourth quarter of 2024. | The regional bureau has initiated disposal processes and aims to finalize disposals until the end of 2024. The recommendation is considered to be under implementation. | X                         |                      |                 |                     |
| 92 | 2022 regional bureau A para 41 | The External Auditor recommends that the regional bureau strengthen its oversight role and support country offices in identifying equipment that should be disposed.    | All regional bureau country offices have completed the 2022 equipment disposals process except Iraq due to pending governmental clearances. The regional bureau held bilateral meetings with all country offices to review corrective actions from the 2022 physical count and reconciliation exercise and supported the finalization of the agreed actions before the 2023 exercise. The 2023 disposal is ongoing in most country offices and the regional bureau aims to assist them to conclude it before the upcoming physical count and reconciliation exercise 2024 scheduled in September 2024.   | The regional bureau supported the country offices with the review and disposal of equipment. The recommendation is considered to be implemented.                        | X                         |                      |                 |                     |

| No | Report reference               | Recommendation  | Management response  | External Auditor's assessment  | Status after verification |                      |                 |                     |
|----|--------------------------------|---|--|--|---------------------------|----------------------|-----------------|---------------------|
|    |                                |   |  |  | Implemented               | Under implementation | Not implemented | Overtaken by events |
| 93 | 2022 regional bureau A para 43 | The External Auditor recommends that the regional bureau use a GEMS report that includes residual useful lives and net book values as a standard report for its review of its equipment to facilitate decisions on disposals and replacements.  | Acquisition and residual values are automatically generated in GEMS reports including the "Asset Residual Value Report" which is automated from the system. Additionally, there are screenshots available from the system that demonstrate the extraction process.   | The "Asset Residual Value Report" comprises information on the aging and the residual net book value. The recommendation is considered to be implemented.                    | X                         |                      |                 |                     |
| 94 | 2022 regional bureau A para 49 | The External Auditor recommends that the regional bureau support headquarters by piloting the detailed APP tool that will include system integrated data transfers.   | The regional bureau is waiting on headquarters to roll out the detailed APP tool as part of the critical corporate initiative. Under the approved critical corporate initiative, namely, the implementation of the WFP strategic plan (2022–2025) and corporate results framework, a digitalized performance management tool is being developed to enhance analysis capabilities and facilitate informed decision-making. The regional bureau has been engaged in the discovery and design phases and will continue to pilot the new tool. The piloting phase will start in the third quarter of 2024 when the APP mid-year review is expected to be updated online in the new tool. Considering adjustments which will be required, the tool is expected to be ready for the APP end-year closure at the beginning of 2025. | The External Auditor appreciates that the regional bureau is engaged in the discovery and design phase of the new APP tool. The recommendation remains under implementation. |                           | X                    |                 |                     |
| 95 | 2022 regional bureau A para 58 | The External Auditor recommends that the regional bureau report back to headquarters that the efficiency of the risk management process should be strengthened by reviewing and commenting on the risk registers of country offices under its purview before submission to headquarters' enterprise risk management unit and by making the mid-year review of the risk registers mandatory. | The regional bureau has notified the Risk Management Division of the audit recommendation. The Risk Management Division supports the recommendation to make the regional bureau review of risk registers mandatory before submission. At the moment, the regional bureau, in coordination with the Risk Management Division, reviews the quality of the country office risk registers (post submission) and provides feedback to the country offices. The Risk Management Division will update its guidance requiring the regional bureaux risk and compliance units to review the risk registers from the regional perspective before submitting to headquarters for the quality check.   | The regional bureau reached out to headquarters for changing the process. The recommendation is considered to be implemented.  | X                         |                      |                 |                     |

| No         | Report reference               | Recommendation   | Management response   | External Auditor's assessment  | Status after verification |                      |                 |                     |
|------------|--------------------------------|--|---|--|---------------------------|----------------------|-----------------|---------------------|
|            |                                |  |   |  | Implemented               | Under implementation | Not implemented | Overtaken by events |
| 96         | 2022 regional bureau A para 64 | The External Auditor recommends that the regional bureau broaden its supplier roster by including new suppliers and adding additional information to the roster such as the registration date on In-Tend and past participation in tenders in order to ensure that the roster is up to date. | The regional bureau has updated its list of goods and services and the bureau's food vendors have enhanced the roster with additional information such as the registration date on in-tend and information about participation in tenders.  | The regional bureau included additional information in its supplier rosters. The External Auditor urges the regional bureau to continue to request missing information from suppliers. The recommendation is considered to be implemented.             | X                         |                      |                 |                     |
| 97         | 2022 regional bureau A para 73 | The External Auditor recommends that the regional bureau ensure that the personnel files are complete and up to date.  | The regional bureau reviewed all active national employees' digital files to identify missing documents against the checklist using a tracker for the follow-ups needed. At the moment, 20 personnel are being contacted for missing personal documents. This exercise will be carried out and completed by August 2024.  | The regional bureau is in the process of collecting missing documents. The recommendation remains under implementation.  |                           | X                    |                 |                     |
| 98         | 2022 regional bureau A para 79 | The External Auditor recommends that the regional bureau analyse its vehicle demand and consider to either reduce the number of vehicles or – if all vehicles are operationally required – to extend their life cycles.  | Following a fleet management and fleet reporting and analysis mission by a WFP light vehicle fleet specialist, the regional bureau analysed and reviewed its vehicle demand to cover daily operational and emergency response needs with an updated replacement and disposal plan approved for 2023 and 2024. In addition, fleet optimization standard operating procedures were circulated to all country offices. | The regional bureau replaced two vehicles because of their age. A detailed needs analysis based on a standardized approach for the vehicles used by the regional bureau was not provided. The recommendation is considered to be under implementation. |                           | X                    |                 |                     |
| Total      |                                |  |   | 98   | 75                        | 21                   | 0               | 2                   |
| Percentage |                                |  |   | 100  | 77                        | 21                   | 0               | 2                   |

## Annex 2: Number of recommendations per audit topic

| Topic                                       | Country offices | Regional bureaux | Total      | Notes   |
|---|-----------------|------------------|------------|---|
| Management                                  | 10              | 8                | 18         |   |
| Cooperating partner management <sup>a</sup> | 14              |                  | 14         | Partly included in Annual Report                      |
| Asset management                            | 5               | 1                | 6          |   |
| Delegation of authority                     | 8               | 5                | 13         | Partly included in Annual Report                      |
| Human resources                             | 13              | 4                | 17         | Partly included in Annual Report                      |
| Information technology                      | 11              | 1                | 12         |   |
| Procurement                                 | 6               | 6                | 12         | Individual cases                                      |
| Other financial topics                      | 12              | 2                | 14         | Individual cases and partly included in Annual Report |
| <b>Total recommendations:</b>               | <b>79</b>       | <b>27</b>        | <b>106</b> |   |

Source: External Auditor.

<sup>a</sup> Includes 2 recommendations regarding cash-based transfers.