

INTERNATIONAL ORGANIZATION FOR MIGRATION  
The UN Migration Agency

THE DIRECTOR GENERAL

GENEVA, SWITZERLAND

1 July 2019

Excellencies,

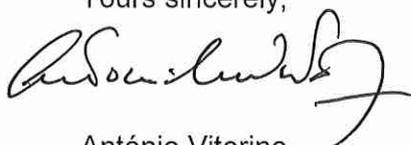
On behalf of IOM, I would like to thank you for supporting the Multilateral Organization Performance Assessment Network (MOPAN) conduct its first assessment of IOM. We welcome the findings of the institutional assessment report as they reinforce the internal review, I initiated upon starting my tenure in October 2018.

Over the past two decades, IOM has grown significantly in terms of budget, staffing and diversity of activity and is recognized as an institution of extraordinary scope and delivery, characterized by the positive impact it has on everyday lives across the world through the commitment and skills of its staff. However, this rapid growth and transformation within a short timeframe has resulted in a strain on the Organization's internal governance system, including the core structure which plays a critical role within it.

As highlighted in the MOPAN report, I also believe that IOM is at a crossroads and the MOPAN findings cohere closely with our own elaboration of the 2019-2023 Strategic Vision and proposed reform of the Internal Governance Framework. It is through the establishment of an updated strategic and comprehensive plan for investing in institutional change and support from Member States, that IOM will be able to meet the expectations that have been placed on it since joining the United Nations system and grow and be the institution leading the global conversation on migration.

The IOM leadership is committed to investing in long-term internal governance reform and institutional development and appreciates both the timeliness and insight of the MOPAN report. We look forward to continuing this exchange with you, and we thank you for your unwavering support of IOM.

Yours sincerely,



António Vitorino

H.E Ms. Monique T.G. Van Daalen  
Ambassador, Permanent Representative  
of the Kingdom of the Netherlands to  
the United Nations in Geneva

H.E. Ms. Veronika Bard  
Ambassador, Permanent Mission of Sweden to the United Nations in Geneva.

## **IOM Management Response to the MOPAN Assessment**

IOM welcomes the finding of the MOPAN 2017-2018 institutional assessment report. The MOPAN findings are extremely timely, as they coincide with the elaboration of the 2019-2023 Strategic Vision and development of a new Internal Governance Framework, based on an internal review initiated by the current Director General (in place since October 2018). We are pleased to observe that MOPAN's assessment closely aligns with the findings of this internal review, and the key tenets of both the Vision and Governance Framework aims to address many of the issues that have been highlighted. These respective evaluations provide the organization an opportunity to capitalize on its strengths and reinforce the areas that have been identified as in need of improvement.

We are pleased and encouraged that the MOPAN report highlights IOM's comparative advantages, notably IOM's effective field presence, capacity to deliver tangible results and flexibility to adapt its response to complex emergencies. Furthermore, IOM's ability to develop valuable partnerships across the United Nations system, both between agencies as well as across governments, with cities and with migrants, reaffirms IOM's commitment to promoting humane and orderly migration which benefits migrants and society.

As emphasized in the MOPAN report, we also recognize that IOM is at a crossroads and must strengthen and broaden its capacities as well as invest in a number of areas to ensure that it can meet the expectations that have been placed upon it since joining the United Nations system, and in its new role as Coordinator of the UN Migration Network. By embracing the findings of the MOPAN assessment and IOM's internal review, the organization will be able to continue to grow and become the institution leading the global conversation on migration.

To do this, IOM is engaging in a two-pronged approach to reform. First, the development of a Strategic Vision, to set out key priorities for the organisation, both in terms of policy issues and institutional development. This is now being translated into a more in-depth implementation plan. Second, the organisation has embarked on an ambitious review of IOM's internal governance and has made a number of proposals for key reforms, outlined in the below.

As a demonstration of our commitment to reform, a number of improvements are already being partially funded through existing organizational resources. Since October 2018, we have allocated more than USD 3.5 million of unearmarked contributions to the reform of internal governance. We also propose to allocate part of the proposed drawdown from the Operational Support Income reserve in 2019 to optimize internal systems and to ensure stronger outcomes. We have also strengthened the Office of the Inspector General, with the creation of two new positions this year, and the start of the recruitment process for several vacant investigator and internal auditor posts.

With the benefit of additional investment in 2019, we intend to focus upon strengthening our risk management and change management capacities, enhancing our financial risk compliance tools and oversight capacity, improving procurement and supply chain management and governance and addressing internal justice and business transformation.

The following summary of responses seeks to address the key concerns set out in the MOPAN report, according to its four categories of management. However, we wish to emphasise that we view many of these issues as cross-cutting. Thus, it is anticipated that investments in one domain will have a positive spill-over effect for management capacity elsewhere in the organisation.

### **Strategic Management:**

Financial frameworks. As highlighted in the report, IOM's financial structure is designed and conducive to project implementation. This system has supported the delivery of an ever-increasing number and diversity of programmes, but it has also constrained the organization's ability to move resources to match operational needs and has limited investment in internal governance. In 2018, total expenditure reached USD 1.84 billion, an increase of USD 235 million from 2017. Over the past five years, our overall expenditure has increased by 20 per cent, and yet our core resources remain limited. We have outgrown much of our internal structure, including our funding model. We will need to develop stronger foundations for predictable financing to cover our expenses, ensure a robust accountability framework and realize our full potential.

IOM is aware of the limitations of projectization and has deepened its dialogue with Member States to seek increased multi-year and predictable unearmarked contributions to address structural and programming priorities. In the context of both the 2019-2023 Strategic Vision and the Internal Governance Framework, a comprehensive internal assessment of the core needs is being undertaken, taking into account essential funding gaps.

Further, we have raised with Member States the need to revisit -- collectively -- the issue of structural reform of the budget which stems beyond the current phase of the internal governance framework. In doing so, we would be investing in IOM as a model agency for a twenty-first century United Nations system that can be both nimble and consistently effective. This is a debate that we will address under the auspices of the Working Group on Budget Reform in the coming months.

Environment. At the time of the MOPAN evaluation, IOM had neither a policy document on the environment as it affects migration, nor an environmental sustainability policy. We are pleased to report that IOM is scheduled to establish an institutional environmental policy in 2019 to position the Organization's actions in line with global environmental standards and to improve the environmental sustainability, resource efficiency and quality of IOM outcomes. The forthcoming policy will enable IOM to align with the Strategy for Sustainability Management in the UN System 2020-2030 endorsed by the CEB in May 2019. Furthermore, two core activities will be undertaken in 2019, notably the establishment of an organization-wide environmental inventory reporting system and the creation of an environmental marker system in line with common UN guidelines on environmental standards. The Resources for these initiatives are still being identified and discussed with Member States.

More broadly, the establishment of a stand-alone unit on Migration, Environment and Climate Change (MECC) in 2015 – the first within the UN system – reflects the importance of this global challenge for IOM. It is also worth highlighting that within the forthcoming 2019-2023 Strategic Vision, climate change and its effects on the current and future migration landscape are identified as key priority areas for the Organization.

Gender. This has become a priority area of mainstreaming at IOM in recent years, coupled with strong efforts to address the Prevention of Sexual Exploitation and Abuse (PSEA) and sexual harassment within IOM. In 2018, IOM launched a Gender Marker, and undertook a peer review of gender equality within the organisation, with the World Food Programme. Women represent 47% of the total workforce, with a 1% increase at senior management levels (P5 and above), up to 37%. IOM continues to strive to create a workplace where everyone is respected, including staff members who identify as gay, lesbian, bisexual, trans or intersex (LGBTI) or as having diverse sexual orientation, gender identity or expression, or sex characteristics.

IOM has invested deeply in the prevention of sexual exploitation and abuse: nearly 5,000 IOM staff received face-to-face training last year. Over the past year, we have developed a platform for reporting misconduct – We Are All In – which improves access to information, provides awareness-

raising materials in four languages and facilitates the anonymous reporting of abuse. UNHCR and other agencies have expressed interest in utilizing the training materials from this initiative, which demonstrates its wider value within the United Nations system.

### **Operational Management:**

Performance-based human resources. The MOPAN report suggests that IOM's staff performance assessment is not linked to corporate goals and does not provide sufficient staff development opportunities. IOM is aware of the need for improvements in this area and is committed to supporting staff growth and development as well as effective performance managements. As such, a new human resources strategy is currently being conceptualized within the organization. The new strategy will be finalized by the end of 2019 and will strongly emphasize staff development. Furthermore, IOM is finalizing the new Performance Management policy and system which will be launched in 2020. The platform will enable vertical goal alignment, starting from the organisational strategy and cascading down to office/department strategy and then to individual goals.

Results-based budgeting (RBB). As the MOPAN report notes, due to its projectized structure, IOM's institutional budget is not aligned to pre-defined objectives, and the organization does not develop costings based on operational achievements or management results.

As the institutional-level strategic planning of IOM further progresses, IOM will explore the feasibility of shifting its institutional budgeting process towards results-based management, and link more closely to the expected strategic results. The Strategic Vision presented by the Administration to the Member States will provide the foundation for the development of such a plan, allowing for the implementation of a comprehensive RBB approach.

As regards the tracking of costs related to activities and results, IOM initiated project level results-based budgeting with the roll-out of the new Project Information and Management Application (PRIMA). The aim of PRIMA is to facilitate effective, efficient, and results-based project management while incorporating effective monitoring and evaluation of project implementation performance, and promoting learning and accountability to migrants, governments, and donors.

### **Relationship Management:**

Risk Management. IOM has also identified the need for enhanced risk management, and it is a foundational component of the proposed Internal Governance Framework (IGF). The IGF, being a risk imbedded framework based on the three lines of defence model, outlines the requirement to integrate risk management across all functions, processes and activities and provides a clear commitment to dedicate the necessary resources and capacity for managing risk. Therefore, the strengthening of IOM's risk management capacity is included in the action plan for the initial application of the IGF.

In 2018, efforts to build capacity and develop a more comprehensive approach to risk management were strengthened by the establishment of an additional Risk Management Officer position and the allocation of resources for the development of a Risk Management Information System to streamline the input and analysis of risk information across the organization. In addition, IOM's risk management framework was updated in 2019 and is currently in the approval process. The risk framework will establish a pragmatic, dynamic and integrated approach to identifying and managing risks throughout IOM that is clearly linked to the achievement of its strategic vision and objectives while enhancing transparency and performance.

## **Performance Management:**

Evidence-based design. The MOPAN assessment states that IOM lacks an organisation-wide system as well as mechanism to gather and capitalise on the lessons learned from past interventions. In recognition of the need to improved knowledge flow within the organisation, IOM established a Policy Hub in the Office of the Director General in April 2019. The Policy Hub will be responsible for leading the overall knowledge management across the organisation and strengthen the organization's policy development and coordination capacities. It will take time to see direct impact, however senior management is keenly aware of the need to reflect on project outcomes, learn from field experience, and offer feedback to project managers and others about future project-design. Thus far, we have allocated nearly USD 6 million of flexible funding to key areas, such as policy capacity, data and research, knowledge management, staff development, training and communications. This endeavour will be owned and implemented at all levels of the organisation, including in regional offices and country missions.

Separately, the Office of the Chief of Staff will review processes to develop policy guidance within IOM and ensure that the organisation is capable of contextualizing and updating guidance according to new developments and needs.

Evaluation function. IOM is keenly aware of the need for improvement in this area. Through unearmarked funding allocated to the Evaluation Unit within the Office of the Inspector General in 2018 and 2019, IOM has taken steps to increase its focus on thematic and strategic evaluations by the central office, as well as on the issuance of technical guidelines and processes for quality assurance, for planning and utilization of corporate and decentralized evaluations and for the follow-up of recommendations. Further efforts will be made to align corporate and decentralized evaluation plans and strategies to the new strategic vision and operating models.

The issue of financial support to, and budgetary independence of, the central evaluation office, will be examined in the framework of the organizational reform. Concerns raised regarding the independence of IOM's evaluation office as per UNEG norms, will require further discussions with Member States. A peer review of IOM's evaluation function is planned for 2020 and will be conducted by a panel of professional evaluation peers of the UN Evaluation Group (UNEG).

Internal Audit. The MOPAN assessment states that IOM has robust internal and external audit system, however, it underlines that the Internal Audit reports are not made publicly available. Since 2018 the Office of the Inspector General publishes condensed summaries of internal audit reports that are made available to Member States on the IOM website. In 2019, the same practice continues and the protocols of making internal audit reports public will continue to be reviewed for further enhancements.