

STANDING COMMITTEE ON PROGRAMMES AND FINANCE

Twenty-third Session

STATEMENT BY THE DIRECTOR GENERAL

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Introduction

1. Distinguished delegates, ladies and gentlemen, it is an honour to welcome you to the Twenty-third Session of the Standing Committee on Programmes and Finance, my first as Director General of IOM.

2. Let me begin by expressing on my behalf, that of the Deputy Director General and of all my IOM colleagues, our sincere appreciation to the members of the IOM Council Bureau for their hard work and commitment.

3. As this is the first governing body meeting to take place following my election, allow me to take this opportunity to thank all Member States for the confidence entrusted in me to lead the Organization. I am deeply honoured and look forward to working together to continue strengthening our partnerships with all stakeholders, and working with you to develop a strong, strategic outlook for IOM over next five years.

4. Migration is a priority subject for the international community and this will continue to be the case for years to come, as evidenced by the development of key guiding frameworks and objectives such as the Sustainable Development Goals and, more recently, the Global Compact for Safe, Orderly and Regular Migration.

5. Over the last decade, IOM has truly become a global leader on the issue of migration. It has become the agency of choice for States wishing to respond more effectively to the shifting dynamics of migration and ensure the well-being of an ever more diverse population of migrants. In doing so, the Organization has rapidly expanded to incorporate new competences, geographies and partners. Today, IOM is recognized as an institution of extraordinary scope and delivery, characterized by the positive impact it has on the everyday lives of people across the world through the commitment and skills of its staff.

6. In recognition of this, and with your support, the Secretary-General of the United Nations has entrusted IOM with the task of coordinating the United Nations Network on Migration and serving as its secretariat. The aim of the Network is to enhance the ability of the United Nations system to deliver effective system-wide support to States in the implementation, follow-up and review of the Global Compact for Migration.

7. These new institutions afford IOM a broader opportunity to reflect on its current capacities and how it may need to evolve to anticipate the future demands of both its Member States and migrants. This will not require any changes in terms of what the Organization is or what it does: IOM's core vocation will remain unchanged. Instead, IOM needs to develop a stronger strategic direction and prioritization at all levels of work, fully in line with Council Resolution No. 1309 of 24 November 2015, which clearly states that new tasks will be pursued without detriment to the consolidated role of IOM.

8. In fact, IOM is in a unique position to become an active and strategic adviser, partner and supporter to all those whose work involves migration, whether they be Member States, institutional organizations or civil society groups. To fulfil this promise, IOM will need to become a learning organization, capable of drawing upon its technical expertise to support governments developing new policy, and offering stronger foresight and policy guidance at the request of Member States. Above all, IOM will need to preserve its operational efficiency, responsiveness and flexibility.

9. Where, and how deeply, IOM chooses to invest over the next five years will have an impact on how well the Member States and the international community as a whole will be prepared to respond to changing migration needs. Just as the drivers and dynamics of migration rarely remain static, IOM has an opportunity to double down on its own core strengths of flexibility, responsiveness and on-the-ground expertise, and offer its Member States a partner that can grow and learn alongside them.

10. Over the past six decades, and particularly in recent years, your Organization has evolved through the expansion of its membership and project base and demonstrated its ability to adapt to the changing scope and complexity of migration at global, regional and national level. Given the mounting complexity of migration issues and the tremendous increase in migration crises, this growth is expected to continue. The funds available to undertake such a growing and demanding role unfortunately have not corresponded to the resources required to sustain the core structure of the Organization. While some very important decisions have been reached in the past to partially address the problem through a budget reform process, Member States had at the same time recognized the need to review the rates of increases in the Administrative Part of the Budget from 2017 onwards to avoid a repeat of the erosion of the budget situation that would undermine the budget-strengthening actions taken.

11. In 2018, IOM continued to respond to the mobility dimensions of crises throughout the world. The protracted nature of many of those settings is likely to require continued large-scale efforts on the part of the Organization well into 2019.

12. Yemen continues to represent the world's worst humanitarian crisis, with over 20 million people estimated to be in need of humanitarian aid. Similar large-scale operations focusing on the provision of relief and solutions to internally displaced populations have expanded this year in such locations as the Democratic Republic of the Congo, Ethiopia, Nigeria, South Sudan and the Syrian Arab Republic as well as some of the countries affected by natural disasters in Asia.

13. In Bangladesh, IOM continues to work closely with the Office of the United Nations High Commissioner for Refugees in order to bring aid to the nearly one million Rohingya refugees hosted by Bangladesh in Cox's Bazar, while the two agencies collaborate ever more closely in Latin America and the Caribbean in order to support programmes and initiatives undertaken by those countries hosting Venezuelan nationals.

14. Lastly, IOM continues to undertake major activities in support of vulnerable migrants along the Central Mediterranean route who continue to suffer from unacceptable levels of abuse and violations of their fundamental rights as they make their journey. In practically all of these circumstances, humanitarian aid represents an important commitment to saving lives, but it does not provide the answers. Solutions may be reached only through greater solidarity and goodwill within the international community. In the absence of these elements, IOM is likely to focus a great proportion of its resources and attention to humanitarian aid in 2019, a trend that has been at play for the past few years.

15. As you all know, I assumed my duties at IOM just recently. Therefore, in my view, the Programme and Budget for 2019 should be seen as a transitional budget. I will soon engage with you on this matter as I will be looking into the structures and needs of IOM with the aim of implementing measures to streamline and maximize efficiency in the use of resources entrusted by you to the Organization and to enhance transparency, controls and accountability. I take the opportunity to express my appreciation to the countries that have already provided unearmarked contributions to temporarily bridge some of the funding gaps.

16. I now turn to the specific items on the agenda and would like to share with you some preliminary thoughts, with the Deputy Director General and relevant IOM staff providing you with more detailed information during the session.

17. **Agenda item 3:** The Summary update on the Programme and Budget for 2018 confirms that the Organization continues to grow, with a budget level of USD 1.8 billion, the highest level ever, in operations. The Administrative Part of the Budget is increased by CHF 1,395 with the contributions of new Member States, which joined the Organization this year, to a revised total of CHF 50,728,318. The Administration proposes that the additional funding be used for staff development and learning, in particular to support career development for national staff, who make up the majority of staff in the Organization.

18. **Agenda item 4:** Status report on outstanding contributions to the Administrative Part of the Budget and Member State voting rights. While I am pleased to report an improvement in the status of outstanding contributions, I would also like to highlight that there are still significant outstanding amounts due. I would like to thank those Member States that have honoured their obligations and I urge others to do so. I would also encourage Member States in arrears to negotiate a payment plan with the Administration to clear outstanding amounts. In parallel, we will persist in making the case for the universal vocation of IOM.

19. **Agenda item 5:** The Programme and Budget for 2019 has been prepared based on the confirmed funding for activities developed in consultation with relevant governments and stakeholders. The activities take into consideration current trends and crucial developments touching upon the migration phenomenon in the international arena. This budget includes a proposal to increase the Administrative Part of the Budget, established at CHF 50,728,318 for the current year, to include CHF 1,500,000 to cover the doubling of the Organization's contribution, as is the case for all agencies, to the United Nations Sustainable Development Group, in line with General Assembly resolution 72/279 of 31 May 2018. This is consistent with Council Resolution No. 1318 of 30 June 2016, through which Member States decided that additional core funding needs resulting from the Organization joining the United Nations would be met through an increase in the level of the Administrative Part of the Budget. The Operational Part of the Budget is established at USD 1 billion, which is an increase of 5.8 per cent compared with the original budget for 2018 of USD 956 million. This includes the projected level of Operation Support Income which is established at USD 96 million and contains an allocation of USD 1.5 million earmarked as seed funding to enhance IOM's policy and coordination capacity, while I develop a full inventory of areas requiring strengthening in the Organization. I trust that Member States will approve the Programme and Budget for 2019 as proposed so that IOM can continue its role as the leading United Nations agency on migration and to support the effective and sustainable management of the Organization.

20. **Agenda item 6:** Progress report on the implementation of the External Auditor's recommendations. The Administration has made considerable efforts and achieved some progress in implementing the recommendations made by the External Auditor. The Administration remains committed to continuing to enhance its management systems and internal controls, while underlining that, in some cases, full compliance will require additional resources and time.

21. **Agenda item 7:** Update on risk management. In this respect, I have asked the Deputy Director General to take the lead on a set of internal governance reforms – including in the areas of internal controls, fraud and corruption prevention, investigation and sanctions within the internal justice system – that will be submitted to you in more detail in the very near future. Although significant progress has been made in the past few years in the implementation of risk management strategies, much work remains to be done. It is our commitment to improve ongoing initiatives aimed at mainstreaming risk management into the day-to-day work of the Organization and to foster a risk awareness culture which ensures that risk is embedded in the decision-making process and managed in line with international standards.

22. **Agenda item 8:** Update on plans for the IOM Headquarters building. The Administration deeply appreciates the active engagement of Member States in the discussion of this initiative and the valuable feedback provided. It is obvious that the Organization requires a solution to the office space constraints presently faced, and the challenges only increase with the passage of time. The Administration is now at the stage where it requires your approval to go forward in order to prepare a detailed proposal that will be submitted for your approval in the future. The proposal will address the office space requirements in the long term in a cost-effective manner by combining the internal resources of regular budgets with financing facilities offered by the host government. As already indicated, the Administration is committed to staying within the budget, which will be established once detailed costing has been obtained under this project, and will regularly report to you on developments, particularly should we envisage any variation. We count on your support to move forward with submitting a loan application to the Government of Switzerland as well as your active involvement in this endeavour throughout the implementation of the project.

23. **Agenda item 9:** Implementation of the Global Compact for Migration. Support for the implementation, follow-up and review of the Global Compact for Safe, Orderly and Regular Migration will be a priority for IOM both in the context of our own mandate and our new capacity as the coordinator and secretariat of the United Nations Network on Migration. In close coordination with Member States and partners, the Administration continues to explore ways to ensure that the Organization is properly prepared and resourced for this work as the leading United Nations agency on migration.

24. **Agenda item 10:** Report on the IOM Development Fund. The IOM Development Fund has been a unique source of funding for developing Member States. With projects implemented in 119 countries worldwide, the Fund is successfully addressing the complexities and opportunities driven by migration. When reflecting on the history of the IOM Development Fund, two essential characteristics stand out as a testament of its value and impact. First, by providing seed funding for innovative projects, the Fund aims to foster the involvement and ownership by the governments and other relevant stakeholders. Initial endeavours are therefore strengthened, paving the way towards sustainable national development. Second, the essence of the Fund lies in its activities to enhance government capacities, which, in turn, serve as a foundation for effective migration management. Over the past 17 years, and on countless occasions, the Fund has been the catalyst for successful long-term sustainable initiatives. Taking into account the achievements of the IOM Development Fund thus far, I am confident that it will continue to help address the increasing migration challenges faced by Member States and, above all, migrants.

25. **Agenda item 11:** Exchange of views on items proposed by the membership. In response to requests by Member States, the Administration produced documents for the selected topics: (a) a framework for assisted voluntary return and reintegration and indicators for measuring sustainable reintegration; and (b) assisting migrants in crisis contexts: implementation of the guidelines to protect migrants in countries experiencing conflict or natural disaster. These documents serve as background papers to stimulate the discussions on such relevant subjects.

26. **Agenda item 12:** Report on the privileges and immunities granted to the Organization by States. IOM has varying arrangements with Member States and many do not offer the Organization tax exemptions comparable to those obtained by the United Nations. In addition to the benefits of obtaining tax exemptions, bringing more uniformity to the agreements would reduce the administrative burden on the Organization, which maintains differing systems – including for payroll – to adapt to the particularities of the varying agreements. Improving host country agreements creates efficiencies by providing tax exemptions which reduce IOM's costs in a given country.

27. **Agenda item 13:** Report on the work of the Office of the Inspector General. Performing a critical function in the work of the Organization, the Office of the Inspector General contributes to the oversight and internal control of IOM through its services of internal audit, evaluation and investigation. Although the Office has been strengthened with additional staff positions during recent years, we are aware that further needs must be addressed in order to increase the capacity to respond to the Organization's requirements and to formulate proposals for remedial action in response to problems encountered.

28. **Agenda item 14:** Report of the IOM Audit and Oversight Advisory Committee. We would like to express our appreciation of the work of the Audit and Oversight Advisory Committee in its capacity as a key advisory body that assists the Organization in strengthening its oversight responsibilities, risk management and internal control in performing its functions across the world. We value your support and will continue working together to ensure the Organization is strengthened and our operations implemented in a cost-efficient manner.

29. **Agenda item 15:** Update on the work of the Organization to assist States in achieving the Sustainable Development Goals. IOM contributes in many ways to the fulfilment of the 2030 Agenda for Sustainable Development through its work to maximize the positive linkages between migration and development. The repositioning of the United Nations system to deliver on the 2030 Agenda and the firm rooting of the Global Compact for Migration in the 2030 Agenda both provide a strong impetus for IOM to engage in the United Nations multilateral development frameworks as a central pillar of its work; to enhance its own role as a development actor; to better connect its development and humanitarian portfolios; and to strategically advance the global discussions on migration and development.

Conclusion

30. Distinguished delegates, I look forward to a productive discussion at this session of the Standing Committee on Programmes and Finance. We will continue to consult with you on the areas mentioned above and on all other aspects of the Organization's work.