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**IOM STRATEGY:
REPORT OF THE CHAIRPERSON**

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I. INTRODUCTION

1. The last formal stocktaking of IOM's strategic priorities was set out in 1995 in document MC/1842 "IOM Strategic Planning: Toward the Twenty-first Century". This was endorsed by Member States through Council Resolution No. 923 (LXXI) of 29 November 1995 on "Future Activities of IOM".

2. At the Eighty-fourth Session of the Council in December 2002, Member States expressed an interest in a renewed strategic discussion on the future directions and priorities of the Organization. A "Note on IOM Strategy: Current and Future Migration Realities and IOM's Role" was prepared by the Administration and issued as document MC/INF/262 of 13 October 2003. This Note was discussed at the Council in November 2003 and, as a result of these discussions, a revised document, entitled "IOM Strategy: Current and Future Migration Realities and IOM's Role" (MC/INF/274) was submitted to the Council in November 2004, complemented by the additional information contained in Conference Room Paper (CRP) No. 15.

3. On the basis of the Council discussions in November 2004, the then Chairman of the IOM Council, Ambassador L. A. de Alba (Mexico), held consultations during 2005. The result of these consultations was the Conference Room Paper (CRP) No. 18 "IOM Strategy Document" presented on the occasion of the Ninetieth regular session of the Council in November 2005. Building upon the efforts of Ambassador de Alba, various consultations were held in the course of 2006 under the auspices of his successor as Chairman of the Council, Ambassador M. M. Khan (Pakistan), as well as of the then Second Vice-Chairperson of the Council, Ambassador M. Whelan (Ireland), on the three elements of CRP No. 18, namely strategy, institutional framework, and programme and budget. As a result of these consultations, and as reported to the Council in November 2006, there was a clear understanding that all three elements were linked and that whereas agreement might be reached on one element, nothing should be formally adopted by the Council until an agreed text covering all three elements was ready for adoption.

4. The Chairperson of the Ninety-second regular Session of the Council, Ambassador N. Al-Hajjaji (Libyan Arab Jamahiriya), was invited to continue the work undertaken by her predecessors. Considering the excellent cooperation and constructive spirit in which the discussions had been held in 2006, Member States expressed the hope that it would be possible to complete the work by June 2007 such that a strategy document could be submitted to the Council for its consideration and approval. To that end, the Chairperson convened an open-ended Working Group to pursue informal consultations. The Working Group met on 8 December 2006 and, in 2007, on 23 January, 2 and 23 February, 2 and 26 March, 24 and 26 April, and 10 May. The broad lines of discussion and the results are summarized below.

II. ELEMENTS OF THE STRATEGY

5. Part I of the Strategy sets forth IOM's primary goal and the principal activities on which the membership would like IOM to focus in the coming years. Paragraph 17 of CRP No. 18 – which in turn contained proposals based on paragraphs 28 and 29 of MC/INF/274 – served as a basis for discussion. Delegations participating in the informal consultations agreed that the primary goal of IOM is the facilitation of orderly and humane management of migration so as to maximize its benefits and minimize its costs. They agreed that IOM should continue its role as a leading global organization focusing on migration management, addressing migration from an integral perspective, in the mutual respect of the competences of other organizations.

6. Stressing their appreciation for the flexible and responsive nature of IOM and not wishing to unduly limit these characteristics, participating delegations identified 12 main activities on which the Organization should focus in the next three years, within the framework of its Constitution and relevant Council resolutions, and acting at the request of or in agreement with Member States. These are listed in the Annex, Part I. Delegations agreed that this list is not intended to be an exhaustive listing of IOM activities, but rather a guide reflecting broad categories of current priority activities for the membership.

7. In addition to substantive discussion on each of the areas of activity, the question of IOM's role with respect to the protection of migrants occupied a significant amount of discussion. To aid that discussion, the Administration produced background paper IC/2007/3 "Protection of Persons involved in Migration: Note on IOM's Role" explaining that while IOM has no legal protection mandate, its activities contribute to protecting persons involved in migration.

8. While consensus was reached on nearly all of the 12 activities in Part I, two delegations were not in a position to join the consensus: Venezuela objected to the inclusion of the words protection, refugees and displaced persons in points 9 and 10; Mexico could not agree to a reference to protection in point 9 only, as it felt that such reference should appear in point 1 as it is relevant to a broader range of IOM activities.

9. Part II of the Strategy deals with the IOM governance structure. The starting point for the discussions was a general consensus that the current governing structure no longer responded to the needs of the Organization, and that a way should be found to streamline it without affecting negatively IOM's flexibility and responsiveness. Most delegations also felt that any changes should be in conformity with the spirit of the 1998 Amendments to the Constitution, which will enter into force upon ratification by two-thirds of the membership. The ensuing debate was based on the following principles: (a) the Council was the main governing body for policy, strategy and governance discussions and decisions; (b) the Executive Committee should not be reinforced or enlarged pending its ultimate disappearance once the aforementioned amendments enter into force; and (c) a streamlined structure should be devised until such time as entry into force of those amendments occurs.

10. Two options emerged from the discussions. The first option was designed to broaden the scope of the existing Subcommittee on Budget and Finance (SCBF), giving it a new name and expanded terms of reference to include, *inter alia*, responsibility for examining and reviewing the policies, programmes and activities of the Organization. The second option

was designed to abolish the SCBF and create a new Standing Committee on Programmes and Finance (SCPF) which would be the exact replica of the SCPF whose establishment is foreseen in the aforementioned constitutional amendments.

11. Delegations carefully considered the relative merits of each option. They recognized that both options would lead to essentially the same result, albeit via different routes which had different practical and legal considerations. Their deliberations reflected commitment to finding both a practical and constitutionally sound interim solution pending entry into force of the amendments. The consensus that eventually emerged was in favour of the second option, which figures in the Annex, Part II.

12. With respect to the broader governance structure, delegations welcomed informal consultations as a useful way to facilitate dialogue and understanding. They underscored, however, that these were not the place where formal decisions should be taken. In this connection, many delegations expressed the wish that sufficient time be dedicated to discussion of IOM policy and governance matters in the Council and that, in principle, only one Council session per annum should be held.

13. Part III of the strategy deals with IOM's programme and budget. A document prepared by the Representative of the Permanent Mission of the Kingdom of Morocco was presented to facilitate the discussion.

14. The Administration also submitted document IC/2007/2 "IOM's Strategy and Budget" to facilitate discussion with the aim to: (a) enhance understanding of various aspects of IOM's budget structure; (b) achieve sustainability of funding of the core administrative structure and functions; and (c) to explore the possibility of making more resources available for projects of direct interest to developing Member States while achieving sustainable funding for the core administrative structure and functions. The document provided background information on IOM's budget structure as well as trends on certain key aspects of the Organization's budget.

15. Whilst Member States generally acknowledged that the information contained in the documents provided clarity and enhanced understanding of the Organization's budgetary issues, some delegations requested the Administration to provide additional information on possible sources of funding to support projects in developing Member States. Different options on identifying funds to meet this need were proposed. There was broad consensus that any new mechanism to be established should not add additional administrative burden.

16. In the search for a mechanism that will best identify additional funding for the 1035 Facility, several discussions took place, based on documents submitted by the Administration (IC/2007/4 and IC/2007/5).

17. Taking note that no consensus could be reached on the different options explored, the Chairperson recommended that a Working Group be formed comprising of Member States representing developing countries and donor countries, to further discuss possible options of funding for an expanded version of the 1035 Facility. The Administration provided technical support and a list of ten possible funding options to the Working Group.

18. The Working Group agreed to retain two options to find additional funding for an extended 1035 Facility. These two options were:

- (a) 25 per cent of additional Discretionary Income (excluding security) generated between 2007 Programme and Budget estimates of USD 20.5 million and actual DI realized will be set aside for the expanded 1035 Facility;
- (b) Increase the 1035 Facility by an absolute amount to a level to be established by Member States.

19. The Working Group also discussed the criteria of the expanded version of the 1035 Facility and proposed the following options for consideration:

- There should be one Facility with two funding lines. Line 1 will be the existing 1035 Facility (USD 1.4 million) and line 2 will be used for the additional funds to be identified.
- The 1035 Facility and its expanded version will only be available to Member States.
- There should be no change in the criteria for selecting projects with the exception of follow-up projects allowable under line 2.
- Following current practice, there should be no link to outstanding contributions in the allocation of funds under line 1.
- Only Member States in good financial standing or Member States not subject to Article 4 can receive funding under line 2.

20. The conclusions from the Working Group were presented to all Member States for their review. After a constructive debate, the option to allocate 25 per cent of any additional Discretionary Income to the 1035 Facility and the criteria for the additional funding for the 1035 Facility that figure in the Annex, Part III, emerged as the consensus view.

III. RECOMMENDATIONS

21. The Council is invited to adopt a resolution endorsing the IOM strategy proposed in the Annex to this document.

22. The Council is further invited to adopt a resolution on the establishment of the Standing Committee on Programmes and Finance.

Annex

IOM STRATEGY DOCUMENT

Part I: Strategy

The primary goal of IOM is to facilitate the orderly and humane management of international migration. Building on its expertise and experience, and respecting the mandates of and coordinating with other international organizations, IOM should continue its role as a leading global organization focusing on migration management. The Organization will continue to address the migratory phenomenon from an integral and holistic perspective, including links to development, in order to maximize its benefits and minimize its negative effects. To achieve that goal, IOM will focus on the following activities, acting at the request of or in agreement with Member States:

1. To provide secure, reliable, flexible and cost-effective services for persons who require international migration assistance.
2. To enhance the humane and orderly management of migration and the effective respect for the human rights of migrants in accordance with international law.
3. To offer expert advice, research, technical cooperation and operational assistance to States, intergovernmental and non-governmental organizations and other stakeholders, in order to build national capacities and facilitate international, regional and bilateral cooperation on migration matters.
4. To contribute to the economic and social development of States through research, dialogue, design and implementation of migration-related programmes aimed at maximizing migration's benefits.
5. To support States, migrants and communities in addressing the challenges of irregular migration, including through research and analysis into root causes, sharing information and spreading best practices, as well as facilitating development-focused solutions.
6. To be a primary reference point for migration information, research, best practices, data collection, compatibility and sharing.
7. To promote, facilitate and support regional and global debate and dialogue on migration, including through the International Dialogue on Migration, so as to advance understanding of the opportunities and challenges it presents, the identification and development of effective policies for addressing those challenges and to identify comprehensive approaches and measures for advancing international cooperation.
8. To assist States to facilitate the integration of migrants in their new environment and to engage diasporas, including as development partners.

9. To participate in coordinated humanitarian responses in the context of inter-agency arrangements in this field and to provide migration services in other emergency or post-crisis situations as appropriate and as relates to the needs of individuals, thereby contributing to their protection¹.
10. To undertake programmes which facilitate the voluntary return and reintegration of refugees, displaced persons, migrants and other individuals in need of international migration services, in cooperation with other relevant international organizations as appropriate, and taking into account the needs and concerns of local communities.
11. To assist States in the development and delivery of programmes, studies and technical expertise on combating migrant smuggling and trafficking in persons, in particular women and children, in a manner consistent with international law.
12. To support the efforts of States in the area of labour migration, in particular short-term movements, and other types of circular migration.

Part II: Institutional Framework: Governing Bodies

The Council remains the principal governing body for policy, strategy and governance discussions and decisions. The Executive Committee should not be reinforced or enlarged pending its ultimate disappearance once the 1998 Amendments to the Constitution enter into force, upon ratification by two-thirds of the membership. A streamlined governance structure should be in place until such time as the aforementioned amendments enter into force. Any such governance structure should preserve the Organization's flexibility and responsiveness. Informal consultations have their place in such an institutional framework, as a useful way to facilitate dialogue and understanding. They complement formal governing bodies, which is where formal decisions should be taken.

In order to achieve the objective outlined above, Member States agreed:

1. To set up immediately a Standing Committee on Programmes and Finance (SCPF), by way of Council resolution, which would negate Resolution No. 998. The SCPF would be open to all Member States, would normally meet twice each year, and otherwise as required, to fulfil its responsibilities.
2. To abolish the Subcommittee on Budget and Finance.
3. Terms of reference for the said Standing Committee:
 - (a) to examine and review the policies, programmes and activities of the Organization, the annual reports of the Director General and any special reports;
 - (b) to examine and review any administrative, financial and budgetary questions;

¹ Although IOM has no legal protection mandate, the fact remains that its activities contribute to protecting human rights, having the effect, or consequence, of protecting persons involved in migration.

- (c) to consider any matter specifically referred to it by the Council, and to take such action as may be deemed necessary thereon;
 - (d) to advise the Director General on any matters which he or she may refer to it;
 - (e) to present advice or proposals to the Council or to the Director General on its own initiative;
 - (f) to review regularly methods of consultation, feedback, and oversight, with a view to enhancing responsiveness, transparency, and inclusiveness;
 - (g) to consider any other matter falling within its terms of reference;
 - (h) to transmit reports and/or recommendations to the Council on the matters dealt with.
4. The Standing Committee should establish its Rules of Procedure, which shall be subject to approval by Council.

Part III : Programme and Budget

In order to achieve the objective of allocating additional funding to support projects in developing Member States, the following conclusions were agreed:

- 25 per cent of Discretionary Income (excluding security) in excess of the 2007 Programme and Budget Discretionary Income of USD 20.5 million will be allocated to an expanded 1035 Facility starting in 2008.
- The total amount available for the expanded 1035 Facility (excluding direct voluntary contributions) cannot exceed total miscellaneous income (unearmarked contributions and interest income).
- The provisions of Resolution No. 1110 (LXXXVIII) of 3 December 2004, on the “Use of project-related overhead income to cover staff positions and support costs of administrative nature”, should be fully applied in relation to the use of overhead income.
- Member States should consider direct voluntary contributions to the 1035 Facility as well as increased fundraising initiatives.
- The 1035 Facility will have two separate funding lines: (i) the original funding of USD 1.4 million (Line 1) and (ii) a new budget (Line 2) to be established under the Facility with the following criteria:
 - 1. Access to funding under Line 2 will be linked to outstanding contributions and Member States subject to Article 4 will not be eligible for funding.

2. Ceiling for funding of national projects will be USD 200,000 under Line 2.
3. Ceiling for funding of regional projects will be USD 300,000 under Line 2.
4. A follow-up project to a previously funded project under the 1035 Facility (Line 1) will be admissible under Line 2.
5. Distinct tracking and accounting of the two funding lines will be established.