



International Organization for Migration (IOM)
Organisation internationale pour les migrations (OIM)
Organización Internacional para las Migraciones (OIM)

C/106/INF/16

Original: English
18 September 2015

COUNCIL

106th Session

IOM PRIVATE SECTOR PARTNERSHIP STRATEGY 2016–2020

IOM PRIVATE SECTOR PARTNERSHIP STRATEGY 2016–2020

Background

Current situation

1. The Director General has made strengthening partnerships an institutional priority for IOM since the beginning of his mandate in 2008. In recent years, IOM has increased its collaboration in the Field and at Headquarters with a number of private sector actors ranging from the banking and finance, technology, food and beverage, hospitality, recruitment, transportation and logistics to the extractive industries. IOM works with private sector actors on a broad range of IOM activities, including humanitarian assistance, health, labour migration and counter-trafficking.¹

2. IOM's interaction with the private sector is multifaceted; the Organization has received technological, financial, human resources and other support from the private sector to save and improve the lives of those that are most affected by conflicts or natural disasters, or those suffering from lack of opportunity. In addition, IOM partners with companies and foundations to help enhance its operational and strategic performance as well as to gather data and advocate regarding migration issues. Lastly, the Organization spends a significant portion of its budget to procure goods and services from hundreds of businesses in countries around the globe.

Challenges and opportunities

3. The magnitude of humanitarian and development financing requirements² far exceeds the capacity of official development aid and calls for tailored and sustainable partnerships between governments, international organizations, the private sector and civil society.

4. According to a joint statement issued at the fourth High Level Forum on Aid Effectiveness, the private sector is widely acknowledged as a key partner in development, including through establishing new enterprises, creating jobs, providing goods and services, generating income and profits, and contributing to public revenues, which are critical to increasing countries' self-reliance and sustainable growth. There are diverse forms of engagement that the private sector brings to support development, together with governments, donors and civil society. These include core business activities, public–private partnerships, social responsibility activities, and cross-sector or multi-stakeholder partnerships for development.³

5. The private sector has long been involved in emergency preparedness and response. Businesses are among the first to be affected by and to respond to emergencies and to use their experience, skills and resources to channel in-house capabilities and resources towards

¹ An internal survey carried out at the beginning of 2015 determined that IOM offices have engaged in over 60 partnerships with the private sector since 2012 which had varying degrees of duration, scope and investment.

² The Office for the Coordination of Humanitarian Affairs (OCHA) recently estimated that USD 19.7 billion was urgently needed in 2015 to assist those caught up in conflicts or natural disasters. The *World Investment Report 2014*, produced by the United Nations Conference on Trade and Development, estimated that an annual USD 2.5 trillion funding gap would need to be filled to achieve the Sustainable Development Goals.

³ "Expanding and enhancing public and private co-operation for broad-based, inclusive and sustainable growth". This joint statement was made by representatives from the public and the private sectors at the fourth Forum, which took place in the Republic of Korea from 29 November to 1 December 2011.

humanitarian causes, in advance, during and in the aftermath of emergencies. In addition, businesses are increasingly finding their role in the economic and social development of the communities where they operate to advance their own strategic, long-term concerns, for example by addressing social governance and rights issues.

6. For businesses there is a wide array of incentives to engage in humanitarian work, starting with obvious philanthropic motives. However, there are also core corporate interests at stake in the effort to prepare and respond better to crises. Businesses see value in enhancing employee motivation, rebuilding and extending current and future markets, and ensuring current and future brand loyalty, to name just a few.⁴ Despite the economic downturn, individual and corporate giving has increased significantly in recent years, thus creating renewed opportunities.⁵ Although developed markets represent the largest potential source of funding, emerging and developed economies in other regions have seen a double digit increase since 2008.⁶

7. Several other international organizations and international non-governmental organizations have been benefiting significantly from private sector engagement for several years. In 2013, World Vision received USD 2.22 billion, UNICEF USD 1.67 billion, Save the Children USD 822 million, and the United Nations Office of the High Commissioner for Refugees (UNHCR) USD 215 million.⁷ Significant and sustained investment was made by each agency to reach these funding levels.

8. The growing importance of migration worldwide and IOM's growth in recent years and its expertise in both the humanitarian and development spheres have made the Organization increasingly appealing as a partner to the private sector, creating new opportunities for IOM. It is also increasingly apparent that numerous migration issues cannot be successfully addressed in isolation and that the private sector is an important stakeholder.

Why a strategy now?

9. IOM Member States have encouraged the Administration to engage in outreach to private sector entities.⁸ In response to this request, IOM commissioned a feasibility study in 2012 to clarify whether: (a) IOM could secure funding from alternative private sector sources; and (b) this income could support IOM's core costs. The study found that IOM has a significant potential to raise funds from companies, foundations and high-net-worth individuals, but that these funds would not cover core costs to any significant level. Importantly, the study cautioned that private sector fundraising was not an "easy win" and it would take five years, along with substantial investment and considerable organizational commitment, to achieve a significant level of income.

⁴ According to OCHA, private sector funding as a share of the total humanitarian response grew from 17 per cent in 2006 to 32 per cent in 2010 (totalling USD 5.8 billion that year). More recently, businesses have played a critical role in the Typhoon Haiyan and Ebola crisis responses. (Source: The changing humanitarian landscape and the role of the private Sector. Online article available from <http://business.un.org/en/documents/11208>.)

⁵ In 2013, the United States market saw private sector giving grow to USD 335.17 billion, a 4.4 per cent growth from the previous year. Foundations increased giving by 5.7 per cent, while individual giving, which represents 72 per cent of the total giving, increased by 4.2 per cent. In the United Kingdom, approximately 22.9 million adults gave an estimated total of GBP 10.6 billion to charitable causes in 2014 (Sources: *Giving USA: Annual report on philanthropy for the year 2014* and *UK Giving 2014: An overview of charitable giving in the UK in 2014*).

⁶ Projections by the Organisation for Economic Co-operation and Development estimate that the number of middle class people will grow by 161 per cent by 2030, with their spending power significantly increasing over the same period. If this new middle class were to dedicate 1 per cent of its expenditure to charitable causes, this could generate USD 550 billion a year in new funds.

⁷ These figures were presented by UNHCR at an IOM Private Sector Team meeting that took place in April 2015.

⁸ See Working Group on Budget Reform Report (SCPF/93 of 22 October 2012).

10. The IOM Private Sector Partnership Strategy seeks to address these findings by supporting engagement with current and new private sector actors in a more systematic and strategic way. This will extend outreach on important migration issues, enhance innovation, build IOM's operational and strategic capacity, and expand IOM's donor base and resource mobilization capacity.

11. The Strategy departs from the notion of the private sector as mainly a donor, to an approach wherein the private sector is an equal partner that offers unique skills, knowledge and expertise in order to achieve mutually desired outcomes.

12. A comprehensive organization-wide private sector strategy will help to prevent piecemeal approaches, while simultaneously supporting and incentivizing Field Offices to engage with the private sector through the creation of guidelines, tools and training materials. It will further help in sending coherent corporate messages to potential partners and ensure that Country Offices, Regional Offices and Headquarters departments developing these relationships can capitalize and benefit from this engagement.

Overarching goal

13. The overarching goal of the IOM Private Sector Partnership Strategy is to establish long-term partnerships with companies, foundations, associations and individuals that leverage each partner's knowledge, expertise, skills and/or resources in areas of common interest for the benefit of migrants and society.

Vision

14. The vision of the Organization, mindful of each entity's different roles, responsibilities and capacities, is to engage with private sector partners, governments, international organizations, civil society and other stakeholders to address current migration opportunities and challenges.

Objectives

15. In line with the IOM Constitution, the IOM Strategy and other institutional policies, and in accordance with relevant Council resolutions and documents, the objectives of IOM private sector engagement are to:

- (a) Amplify key migration messages through advocacy and awareness-raising;
- (b) Develop solutions, approaches and new technologies to enhance IOM's operational and strategic capacity and better assist migrants and societies;
- (c) Mobilize financial and in-kind resources to support IOM activities and those it assists;
- (d) Promote joint efforts to address migration-related opportunities and challenges that require engaging with the private sector.

General principles

16. Partnerships with the private sector are collaborative relationships between IOM and private actors in which all parties agree to invest and work together to achieve a common

purpose or undertake specific tasks and, as mutually agreed, share risks and responsibilities, resources and benefits.⁹

17. IOM's engagement with the private sector is informed by the Guidelines on Cooperation between the United Nations and the Business Sector, the Ten Principles of the Global Compact and the United Nations Guiding Principles on Business and Human Rights, with particular focus on developing transformative partnerships that are founded on the concepts of common purpose, integrity, accountability and transparency.

Common purpose

18. Cooperative agreements with the private sector should be directed towards the achievement of a common objective that is mutually beneficial to all stakeholders without violation of the IOM Constitution or Council resolutions.

Integrity

- **Advancement of IOM goals**

19. IOM engages with private sector actors that are responsible corporate citizens and support IOM's mission¹⁰ as laid out in the IOM Constitution, the IOM Strategy and other relevant Council resolutions and documents.

- **Due diligence**

20. IOM seeks to work with private sector actors that are committed to meeting or exceeding internationally recognized principles in the areas of human rights, labour, the environment and anti-corruption.

21. As part of a comprehensive risk assessment within IOM's risk management framework, IOM will carry out a formal due diligence exercise prior to entering into a partnership. The due diligence process will capture pertinent information about potential partnerships with private sector actors in order to maximize benefits and opportunities while minimizing threats, harm and other negative consequences to the Organization and those that IOM assists.

22. The due diligence exercise will examine whether a potential partner:

- (a) Adheres to internationally recognized principles in the areas of human rights, labour, the environment and anti-corruption, notably the Ten Principles of the Global Compact and relevant provisions set out in the United Nations Guiding Principles on Business and Human Rights;
- (b) Meets relevant obligations or responsibilities required by the United Nations, including those established by the Security Council;

⁹ This definition of partnerships is based on the one used in the Guidelines on Cooperation between the United Nations and the Business Sector and in United Nations General Assembly resolution 68/234 (Towards global partnerships: a principle-based approach to enhanced cooperation between the United Nations and all relevant partners).

¹⁰ IOM acts with its partners in the international community to: (a) assist in meeting the growing operational challenges of migration management; (b) advance understanding of migration issues; (c) encourage social and economic development through migration; and (d) uphold the human dignity and well-being of migrants.

- (c) Poses no undue risks to IOM in relation to activities in which the Organization is involved.

23. IOM will not partner with private sector entities that systematically fail to demonstrate commitment to meeting internationally recognized principles in the areas of human rights, labour, the environment and anti-corruption. It may consider specific collaboration with companies committed to addressing any failures they may have in areas of IOM's expertise and capacity.

- **No unfair advantage**

24. Cooperation should not be exclusive or imply endorsement or preference for a particular private sector entity or its products or services. Nonetheless, partnerships should not preclude the private sector entity from participating in competitive bidding processes undertaken or managed by IOM, within the parameters of these general principles.

- **Independence and neutrality**

25. Engagement with private sector entities should not unduly influence IOM's decision-making, compromise the Organization's independence and neutrality or its character as an organization of Member States.

Accountability

26. Partnership agreements should provide clear and efficient accountability for signatories. The partnership should clearly identify and clarify each partner's role and responsibilities, foreseen activities and management structures to ensure a transparent and accountable process. Partnership arrangements with the private sector should be implemented pursuant to a formal written agreement between the private actor and IOM.

Transparency

27. Cooperation with the private sector must be transparent. Information on the nature and scope of cooperative arrangements should be available within IOM and to its Member States in accordance with IOM's policies and procedures and include disclosure of the partners, contributions and matching funds for all relevant partnerships, including at the country level.

Target groups

28. The key target groups for partnerships with the private sector are:

- Companies and/or their business networks/platforms/cooperatives;¹¹
- Foundations, associations and organized networks of individuals;¹²
- High-net-worth individuals;¹³
- General public.¹⁴

¹¹ This refers to multinational companies, large domestic companies, micro-, small and medium-sized enterprises as well as State-owned companies, cooperatives, business intermediaries such as chambers of commerce, business platforms, business coalitions and business forums.

¹² This includes diaspora associations.

¹³ This refers to an individual or a family with liquid, investible assets over a certain figure, typically over USD 1 million. The exact amount differs by region.

¹⁴ This refers to private individuals who are not included in the "high-net-worth individual" category.

Types of partnerships

29. In order to achieve the objectives and outcomes of the Strategy, IOM engages in four types of partnerships with the private sector:

- (a) **Advocacy, awareness-raising and knowledge-building partnerships**, which seek to draw attention to specific issues with a view to promoting new perspectives on migration, encouraging migrant-sensitive policy and programme change, and building public awareness or support.
 - (i) Objective: To amplify key migration messages through private sector advocacy, awareness-raising and knowledge-building.
 - (ii) Outcome: By 2020, IOM will have increasingly, and successfully, engaged private sector actors in advocacy and awareness-raising in all of its regions.
 - (iii) Indicators:
 - a. Number of private sector actors engaged with IOM in facilitating or supporting advocacy and awareness-raising initiatives in the area of migration.
 - b. Number of countries with migration campaigns, projects or initiatives supported by private sector actors.
 - c. Number of joint studies, publications or research papers developed with the private sector.
- (b) **Innovation partnerships**, which use the expertise of the private sector to develop or share new products, technologies, services and approaches that enhance IOM's operational and strategic capacity, efficiency and effectiveness and that directly or indirectly support migrants and societies.
 - (i) Objective: To develop new solutions, technologies and approaches to enhance IOM's operational and strategic capacity and better assist migrants and society.
 - (ii) Outcome: By 2020, IOM will have worked increasingly with private sector actors to develop new solutions, technologies and approaches that can be applied broadly in IOM programming.
 - (iii) Indicators:
 - a. Number of private sector partnerships creating new solutions, technologies or approaches.
 - b. Number of private sector partnerships creating new solutions and approaches that are replicated in other IOM offices.
 - c. Number of people assisted through new solutions and approaches implemented in coordination with private sector partnerships.

- (c) **Resource mobilization partnerships**, which seek to generate funds, human resources, goods and services to support IOM activities, including through joint resource mobilization events, web platforms and social network mobilization. Private sector actors may provide these resources directly or seek contributions from third parties, such as their customers, trade associations, suppliers or employees.
- (i) Objective: To mobilize financial and in-kind resources to support IOM activities and those it assists.
 - (ii) Outcome: By 2020, IOM will receive 5 per cent of its budget from private sector actors, and private sector actors increasingly make long-term or repeat contributions.
 - (iii) Indicators:
 - a. Total amount of financial and in-kind contributions received from the private sector.
 - b. Whether 5 per cent of the total IOM budget is received from the private sector.
 - c. Number of private sector partners giving successive, regular, repeated or long-term (for more than one year) contributions.
 - d. Percentage of private sector partners giving successive, regular, repeated or long-term (for more than one year) contributions.
- (d) **Implementation partnerships**, which deliver programmes at the local, national, regional or global levels that require participation from private sector stakeholders. These partnerships may resemble a client/service-provider relationship, take the form of a public-private partnership or involve multiple companies, governments, international organizations, civil society and other stakeholders.
- (i) Objective: To create and promote joint efforts to address migration-related opportunities and challenges that require private sector involvement.
 - (ii) Outcome: By 2020, IOM will have increasingly engaged with the private sector in delivering programmes and services.
 - (iii) Indicators:
 - a. Number of new implementation partnerships.
 - b. Number of private sector participants in implementation partnerships.
 - c. Number of individual projects implemented with private sector partners.

Implementation of the Private Sector Partnership Strategy

30. Implementation of the IOM Private Sector Partnership Strategy will rest on six pillars:
- (a) **Executive leadership:** The Deputy Director General will lead the implementation of the Strategy and actively support outreach and partnership-building at the executive level. At the country level, Chiefs of Mission will be responsible for helping reach the 5 per cent goal, duly supported by their Regional Office and Headquarters.
 - (b) **Funding:**
 - (i) Internal investment: IOM has already invested around USD 117,000 in 2015 in funding the development of the Strategy and will allocate more than USD 250,000 of internal resources in 2016 to continue existing private sector functions and kick-start the implementation of the Strategy.
 - (ii) Donor support: IOM will seek donor support to establish IOM's private sector partnership function.
 - (iii) Private sector contributions: Over the long term, contributions from the private sector will further sustain IOM's private sector partnership function.
 - (c) **Branding and visibility:** IOM will strengthen its brand and visibility in key thematic areas¹⁵ in order to enhance the recognition of IOM among the general public.
 - (d) **Development of guidelines and tools:** Within the 2016–2020 timeframe, IOM will develop a set of tools and guidelines to operationalize the Strategy and ensure coherent, effective and efficient engagement with private sector actors.
 - (e) **Training and roll-out:** To operationalize the Strategy and strengthen resource mobilization at field level, IOM will identify and train key staff working on private sector engagement.
 - (f) **Reporting, monitoring and evaluation:** The IOM Donor Relations Division will monitor the implementation of the Strategy and ensure that an evaluation will be carried out two years into its implementation. Revisions may be made to the Strategy based on this evaluation. Reporting on the Strategy will be part of IOM's organization-wide reporting.

¹⁵ Based on the internal survey carried out in 2015, the main key areas identified were emergency response and preparedness, counter trafficking, labour migration, community development and migration and health.