

STANDING COMMITTEE ON PROGRAMMES AND FINANCE

Twenty-sixth Session

UPDATE ON THE APPLICATION OF THE INTERNAL GOVERNANCE FRAMEWORK

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1. Over the past two decades, IOM has grown significantly in terms of budget, staffing and range of activity. It is recognized as an institution of extraordinary scope and delivery capacity, characterized by the positive impact it has on the lives of everyday people across the world thanks to the commitment and skills of its staff. At the same time, however, its rapid transformation has placed a strain on the Organization's internal governance system, including its critical core structure. Both within the Organization and among Member States, realization has grown that the core structure has to be transformed and strengthened, and IOM's support operations retooled, to ensure that the programmatic flexibility and responsiveness that are the Organization's hallmarks can be maintained at scale in diverse operating environments.¹
2. The foundation underpinning this transformation is the Internal Governance Framework (IGF), which has been designed to foster a risk-based approach to management controls as a determinant of more streamlined operations. The adoption of modern supporting technologies, supported by a comprehensive change management effort, is a critical enabling element. Application of the IGF is also an important driver of successful implementation of the Strategic Vision.
3. This report provides an update on the information provided by the Administration in 2019 on its progress in applying the IGF to the Twenty-fifth Session of the Standing Committee on Programmes and Finance (SCPF) and the 110th Session of the Council.²

The Internal Governance Framework and the COVID-19 pandemic

4. The COVID-19 pandemic has affected IGF application and the ensuing reforms. Key staff members in areas targeted by IGF reform have been heavily involved in ensuring that IOM continues to function and respond to Member State requests and beneficiaries' needs during the pandemic. Furthermore, processes that support IGF application, such as recruitment and contracting of external service providers for certain reforms, have been delayed by the widespread restrictions on movement and rapidly changing circumstances. As a result, IGF application has not proceeded at the anticipated rate; many initiatives have had to slow down and others have been temporarily put on hold. Progress continues to be made, however, on a number of priority initiatives, particularly those contributing to improved business resilience and continuity.
5. Given this impact, particularly on staff capacity and efforts, the priority areas and corresponding timelines have been reassessed. Although the timelines for some initiatives have had to be pushed back, the impact of COVID-19 on the Organization has reaffirmed the urgent need for IGF application and for the relevant reforms, especially those seeking to enhance accountability, increase operating efficiency and responsiveness, and eliminate paper-based processes and controls.

Key achievements since October 2019

6. Since the Standing Committee last met in October 2019, IGF application has chalked up several key achievements:
 - The new Reporting and Investigation of Misconduct Framework for Internal Justice has been rolled out and implemented across the Organization, as has the [We Are All In](#) platform for the reporting of misconduct. The Office of Legal Affairs and the Office of the Inspector General

¹ Multilateral Organisation Performance Assessment Network (MOPAN), *International Organization for Migration (IOM) 2017–18 Performance Assessment*, MOPAN Assessments (April 2019).

² See documents S/25/INF/1, S/25/13 and C/110/10.

have made great progress in terms of recruitment and expect to fill all new positions by September 2020. The Office of the Inspector General has substantially reduced the backlog of cases handled by the investigation function: between 1 November 2019 and 15 May 2020, the number of open cases dropped from 510 to 172 (excluding 18 cases referred for investigation by third parties), and the number of allegations in intake from 385 to 30 (even though an additional 302 allegations were received during that time). During the same period, the Office of the Inspector General referred 95 cases to the Office of Legal Affairs for consideration of disciplinary measures (based on 31 investigation reports and 64 reports on cases for which sufficient evidence existed after preliminary assessment or investigation) and 17 for consideration of contractual remedies. The Office of the Inspector General also activated the database for investigations, a new specialized investigation case-management system that will facilitate tracking of cases and stakeholder reporting.

- Two comprehensive training packages have been developed on the prevention of sexual exploitation and abuse. One package, specifically designed for IOM staff, has been successfully tested in over 40 IOM country offices and is available on IOM's We Are All In platform in Arabic, English, French and Spanish. It has been shared with, and is used by, other United Nations agencies, including the Office of the United Nations High Commissioner for Refugees (UNHCR), the United Nations Development Programme, the United Nations Population Fund and UNICEF. During the COVID-19 pandemic, twice-weekly online sessions have been held to ensure that IOM personnel continue to receive the training, which is mandatory. The second training package, "Saying No to Sexual Misconduct", is based on IOM's internal learning package, which has been adapted for interagency use in close coordination with UNHCR and the World Food Programme. Other contributors include UNICEF, the United Nations Office for the Coordination of Humanitarian Affairs, the Norwegian Refugee Council, the International Council of Voluntary Agencies and the Core Humanitarian Standard Alliance. The package is available on the Inter-Agency Standing Committee [website](#).
- Since October 2019, the Office of the Ombudsperson has made complementary efforts to strengthen the IGF and introduce systemic change within the Organization through conflict prevention, management and resolution. Regarding conflict prevention, the Office — on its own and in partnership with relevant units — has conducted 17 online training sessions on various conflict management topics; produced an expert webinar series on managing abrasive behaviour; launched a toolkit on inclusivity and respectful workplace practices for persons with disabilities; and expanded its network of Respectful Workplace Focal Points. As a result, over 1,000 individuals have been trained in conflict prevention, and the network now reaches two thirds of IOM offices worldwide. Regarding conflict management, the Office created a mediation network to provide local and timely access to alternative dispute resolution services; received 384 visitors in 2019 (a 51% increase from 2018); and received 159 visitors in the first five months of 2020. Through early and informal intervention, the Office generates significant cost savings for the Organization. Lastly, the Office finalized its 2019 Annual Report, which contains an overview of integrated conflict management and recommendations to resolve 15 systemic issues identified during the year. It is now building on those achievements by providing an expert webinar series on difficult conversations, leadership in crises and resilience; further developing the inclusivity initiative for persons with disabilities; strengthening its two networks; developing conflict management toolkits for IOM offices worldwide; and expanding IOM's self-help and online resources to enable personnel proprietorship in preventing conflict. As a result of the COVID-19 crisis, the Office has refocused its efforts on providing more virtual conflict prevention, management and resolution services. This has led to increased demand for its training and alternative dispute resolution tools. These interconnected activities are paving the way for the construction of an integrated conflict management system that will strengthen internal governance, provide significant cost savings and enhance organizational effectiveness.

- The first assessment centre under the Pathways Pool initiative was conducted in December 2019, for 36 candidates shortlisted for the critical roles of Chief of Mission and Resources Management Officer. In line with IOM's commitment to build a diverse workforce, 26 nationalities were represented among the shortlisted candidates, with two thirds from countries that are not members of the Development Assistance Committee of the Organisation for Economic Co-operation and Development. The assessment centre found 22 candidates to be suitable (16 women, 6 men), and six (30%) have since been placed (three Chiefs of Mission, two Senior Resources Management Officers and one Resources Management Officer). The time taken to recruit for those positions has been reduced from several months to two or three weeks as a result of the Pathways Pool. The remaining successful candidates will be placed as vacancies arise. To replenish the pools, a second assessment centre for 54 candidates is planned for November 2020; it will be held either face to face or virtually.
- Steps were taken to establish the core structure for the business transformation project, with several people being recruited for the project delivery team (see Figure 3 below). A week of high-level demonstrations by leading Enterprise Resource Planning (ERP) platform providers provided insights into available options. As a result, the Administration decided to hold a competitive selection process for the Organization's next-generation ERP. The week was attended by approximately 40 staff from across IOM along with colleagues from the World Health Organization and UNHCR, reflecting IOM's intention to seek opportunities to harmonize policies and collaborate with other United Nations agencies.
- The roll-out of IOM's organization-wide project management, monitoring and reporting system (Project Information and Management Application, or PRIMA) was completed in 2019. Since November 2019, all new IOM operational projects have been managed using PRIMA, with over 1,100 projects endorsed and approximately 800 projects activated as at 1 June 2020, enhancing transparency and efficiency throughout the project cycle.
- The expanded and restructured IOM Material Master Data, part of the current ERP system, went live on 1 November 2019. The expansion resulted in IOM's materials list growing from 300 to over 2,000 codes, which are available in English, French and Spanish. The restructuring has allowed IOM to align with the United Nations Standard Products and Services Code® and will enhance procurement analytics, tracking and reporting.
- As at 1 June 2020, IOM had successfully tested the online purchases requisition application in 16 pilot country offices, with the global roll-out expected to be completed in the coming months. This is the first step in moving away from manual, paper-based transactions towards digitized procurement transactions that are fully integrated into IOM's ERP system, resulting in more efficient and streamlined processes and real-time tracking of purchases.
- To facilitate the procurement and supply chain coordination of essential supplies during the COVID-19 pandemic, IOM developed a supply chain information management platform in just over two months. The platform is now going live across all IOM country offices. It will be used to track and monitor procurements and deliveries in real time, and is supported by enhanced business analytics to produce user-friendly reports and management dashboards.
- By the end of March 2020, the external consultancy company engaged by IOM had finalized its review of targeted controls under the Financial Accounts Control Optimization (FACO) initiative. Practical recommendations were issued to automate and optimize central financial controls and reduce the existing manual control steps by over 40 per cent, which may make it easier, in the long term, to redirect staff resources currently covering these functions towards much needed, more complex control and field office support tasks. In addition, new methodologies were developed for establishing risk-based review thresholds and the accounting risk categorization of IOM offices, enabling IOM regularly and easily to update its

checklist-based financial controls and thereby reflect the operational realities of specific IOM offices. Some of the priority recommendations are being implemented during 2020; all others are to be implemented as part of other IGF/business transformation initiatives, particularly in respect of the next-generation ERP implementation.

- The roll-out has started of the new global face-to-face training package on IOM’s Financial Management Rules and Procedures, with trainers from all IOM regional offices being trained in February 2020. The package will help to strengthen compliance with the Rules and Procedures, and to enhance accountability and oversight of financial performance. The remaining training sessions, for more than 240 IOM personnel involved in financial management at IOM offices across all seven regions, are expected to be completed in 2020; three were held with great success in March 2020, before the introduction of COVID-19-related travel restrictions.
7. As the IGF workplan will set out in detail the broad spectrum of initiatives currently underway or envisioned, including progress to date and future activities, the intention of the above paragraphs was to highlight a cross-section of key achievements.

Workplan

8. Despite some temporary pauses caused by the COVID-19 pandemic, IGF application has moved forward in a number of areas. In particular, a detailed workplan has been developed in response to a Member State request for a roadmap showing priority areas and timelines.

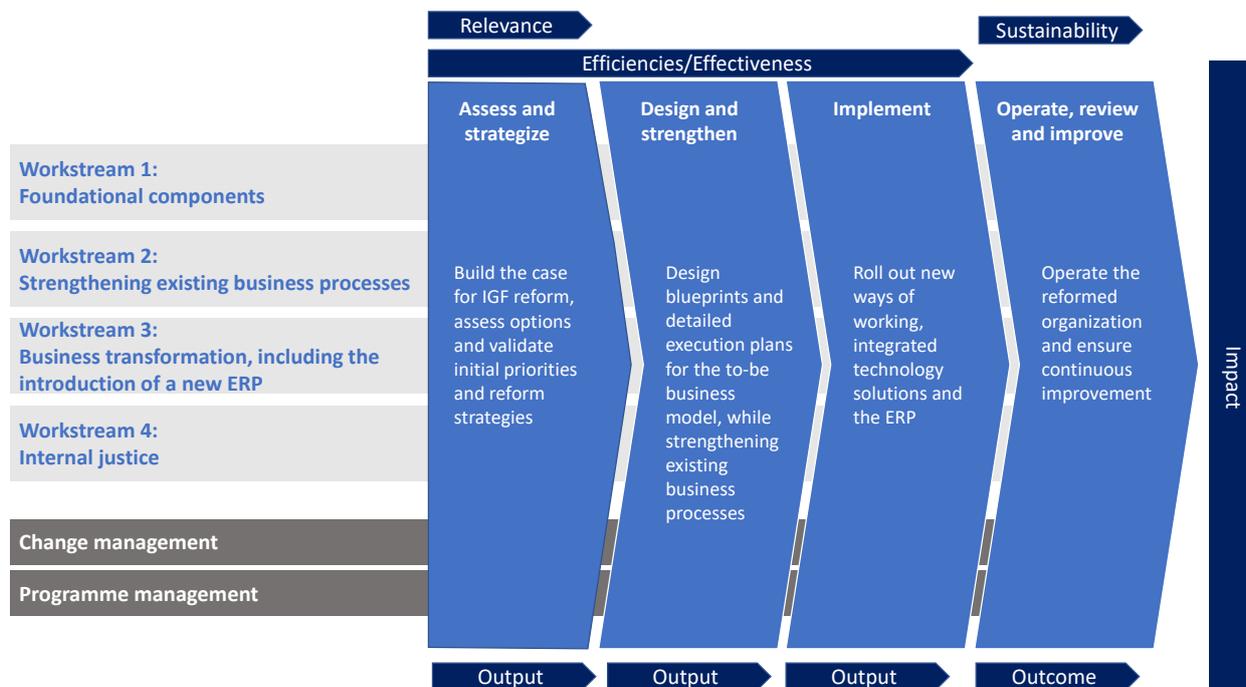
9. The workplan outlines five overarching objectives across the five IGF components, as mapped out in Figure 1 below. The five IGF components are the “three lines of defense” found in the model widely used within the United Nations system and endorsed by the United Nations System Chief Executives Board for Coordination, and two additional components: foundational components (column A) and grievance mechanisms/remediation (column E). The IGF components (A–E) are presented together with the Organization’s overarching objectives for application (1–5).

Figure 1: IGF Components and Objectives



10. Given the range of initiatives either under way or envisioned under the auspices of the IGF, the workplan has been broken down into four separate workstreams: (i) foundational components; (ii) strengthening existing business processes; (iii) business transformation (including the introduction of a new ERP system); and (iv) internal justice. The phased approach to the four workstreams is illustrated in Figure 2 below.

Figure 2: IGF workstreams



11. A results framework being developed to track progress on IGF priorities is based on the five components and five overarching objectives. The framework will facilitate ongoing monitoring of the process (progress, coordination, continuous learning and improvement, reconfirmation of targets and operating environment) and enable any course corrections needed while keeping the focus on the overall IGF objectives.

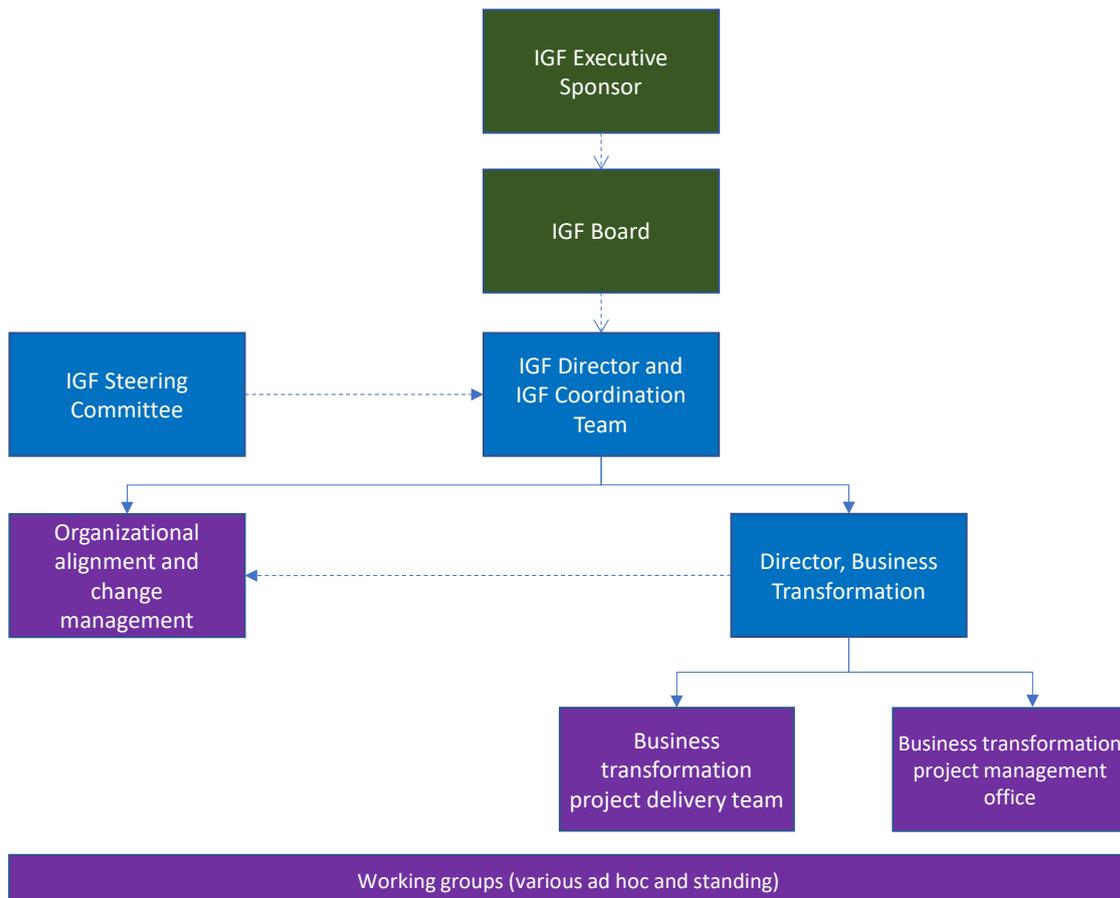
12. That being said, the IGF workplan does not purport to be an exhaustive compendium of all of the work that is taking place to strengthen governance; efforts to that end are being made daily across the Organization, as part of routine activity in country offices, regional offices and at Headquarters.

13. Increasingly, staff in different departments across the Organization are now looking to apply the IGF to their work and to ensure that new or existing programmes incorporate the necessary foundational components of the IGF together with the three “lines of defense”. As application of the IGF began in 2019, many of the programmes and initiatives described in the workplan are at the introductory phase. This will provide valuable information to inform subsequent stages of IGF application, including the necessary scope of interventions. While the phased approach to IGF application clearly anticipates the addition of new initiatives as needed, the workplan presents the best understanding at the current time of areas of work and resource needs.

Governance structure

14. In addition to the workplan and the results framework, a robust governance structure is also being set up for the IGF. The structure, as set out in Figure 3 below, incorporates governance, management and delivery roles (green, blue and purple, respectively). The governance and management roles are performed by staff members, while the delivery roles may also involve non-staff capacity, including consultants and external service providers, as appropriate.

Figure 3: IGF governance structure



- The governance level is vested with overall ownership of IGF application. It ensures that the benefits of application are prioritized to meet the Organization's strategic and operational needs, and, under the leadership of the IGF Executive Sponsor, that IOM staff are contributing to, participating in and preparing to take ownership of the future ways of working.
- The management level is accountable, along with the delivery partner(s), for the full implementation of their respective projects and for achieving the stated benefits of the business case set out in the project charter. Its responsibilities include pre-project planning and analysis, and the key steps across the overall project lifecycle.
- The delivery level is responsible for executing the outputs expected to deliver results under each area's project charter. It comprises a mix of staff, consultants and contractors directly managing and performing the work required to implement the project – including the requisite policies, processes, procedures, technology, training and support materials. Crucially, it includes activities to ensure that IOM staff are prepared, committed and able to work in the new ways defined by the IGF.

Conclusion

15. The Administration is fully committed to pursuing the current dialogue with Member States on IGF application. It thanks Member States for their continued involvement, in particular those that have provided unearmarked or softly earmarked contributions for this purpose.

16. As described above, the impact of the COVID-19 pandemic on the Organization reaffirmed the compelling need for the reforms identified and for broader IGF application.

17. While the Administration understands that the pandemic has had an immediate impact on the funding priorities of Member States, a robust internal governance system can only be fully achieved with strong support and dedicated contributions from Member States. The Administration is counting on that vital support to make the investments needed to achieve the objectives of the IGF-based reform.