

**STANDING COMMITTEE ON PROGRAMMES AND FINANCE**

**Twenty-seventh Session**

**REPORT ON THE WORK OF THE  
OFFICE OF THE INSPECTOR GENERAL**



## REPORT ON THE WORK OF THE OFFICE OF THE INSPECTOR GENERAL

### Introduction

1. The Office of the Inspector General submits an annual report to the Standing Committee on Programmes and Finance. The present report provides an overview of the Office's activities, including evaluation, internal audit, investigation and inspection, for the period from 1 July 2019 to 31 August 2020.

### Mandate and strategies of the Office

2. The mandate of the Office is to provide the Director General with independent, objective assurance and systematic review and advice, so as to add value to and improve the design, delivery and operations of IOM's programmes and projects.

3. The purpose, authority and responsibilities of the Office are set out in the Charter of the Office of the Inspector General. The Office contributes to oversight at IOM through its evaluation, internal audit, investigation and inspection functions. As part of its assurance mandate, the Office determines whether the objectives of IOM are pursued efficiently and effectively, and in compliance with the Organization's regulations, rules and expected results. It also provides, at the Administration's request, consulting and advisory services on organizational issues and policies, and conducts independent reviews.

4. The Office carries out its internal audit function in general conformance with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors, and its investigation function in alignment with the Uniform Principles and Guidelines for Investigations endorsed by the Conference of International Investigators and with due regard to the jurisprudence of the International Labour Organization Administrative Tribunal. It performs evaluations in accordance with the Norms and Standards for Evaluation of the United Nations Evaluation Group, and with other guiding principles established by the Group concerning the conduct of evaluations.

### Summary of activities during the reporting period

5. Table 1 summarizes the activities carried out by the Office from 1 July 2019 to 31 August 2020. (For more details on the work of each function, see the separate sections below.)

**Table 1: Breakdown of activities**

Internal audits	Investigations: cases closed	Central evaluations	Inspections/ integrity reviews
21	852	5	5

6. Heads of all functions normally hold regular meetings with the Audit and Oversight Advisory Committee and act upon its recommendations. While two sessions had been planned during the reporting period, only one was held, in October 2019; the second, in March 2020, was cancelled due to COVID-19.

7. The Committee's membership is currently being reconstituted. The Office looks forward to meeting the new members.

#### Office structure and resources

8. Table 2 summarizes the approved staffing levels in the 2018, 2019 and 2020 Programme and Budget.

**Table 2: Approved staffing levels**

	2018	2019	2020
<b>Approved staffing levels</b>			
Inspector General	1	1	1
Internal audit	12	12	12
Investigation	6	10	14
Evaluation	3	3	3
General Service support staff	2	2	2
<b>Temporary or project-funded</b>			
Investigation			4
Evaluation	2	2	2
<b>Total</b>	<b>26</b>	<b>30</b>	<b>38</b>

9. The Office has staff in three locations: Headquarters, the Manila Administrative Centre and the Panama Administrative Centre (see Table 3 below).

**Table 3: Staffing by location**

Location	Staffing level	OIG	Internal Audit	Evaluation	Investigation
<b>Geneva</b>	Approved staffing	2	3	2	13
	Temporary or project staff			2	4
<b>Manila</b>	Approved staffing		8	1	1
<b>Panama</b>	Approved staffing		2		
	<b>Total</b>	<b>2</b>	<b>13</b>	<b>5</b>	<b>18</b>

#### Investigation

10. An investigation is a formal fact-finding inquiry to examine allegations of misconduct and other wrongdoing in order to determine whether they have occurred and if so, the person or persons responsible.

11. The Office's investigation function is responsible for conducting independent administrative investigations, based on law, to protect the integrity and improve the efficiency and effectiveness of IOM operations while contributing to accountability and transparency. The Office receives all allegations of misconduct, including those related to fraud, waste, workplace harassment, abuse of authority, and sexual exploitation and abuse. It also investigates allegations of retaliation received by the Ethics and Conduct Office.

12. The investigation function is currently composed of 14 fixed-term staff positions and a Junior Professional Officer, who joined at the end of the reporting period. An additional three staff members have been recruited under special short-term contracts, and 12 consultant investigators are engaged on a roster basis. The team's longevity has been boosted by upgrading several of the lower-level investigator positions, enabling it to remain competitive within the United Nations system.

13. Since the previous report (document S/25/8), the team has added four fixed-term positions, one of which is funded out of the Administrative Part of the Budget and three by funding provided by the Migration Resource Allocation Committee. It has also added a Junior Professional Officer position funded by the United States of America.

14. The function is composed of an almost entirely new staff of professionals who joined between November 2019 and March 2020. The new team comprises former law enforcement personnel, lawyers and forensic accounting specialists; it has extensive experience of IOM systems and processes. This skill set gives it a critical advantage when it comes to resolving cases in a thorough and timely manner. Optimized application of IOM procedures and a new case management system have heightened the function's efficiency; many cases can be dealt with using the current systems approach without introducing a field mission component.

15. The team's efficiency has also been enhanced by formal recognition of the Office's independence, thanks to which the function has received delegation of authority to manage its budget and operations without the usual organizational constraints. Moreover, funding for travel and consultant costs was increased in order to address the backlog of cases existing at the end of the previous reporting period.

16. A total of 852 cases were handled by the investigation function. Table 4 provides further details.

17. The backlog of cases in Intake reported during the previous reporting period was eliminated and the cases in investigation kept pace, with 134 reports produced as compared to 44.

18. This was achieved despite an increase in the number of allegations reported, likely due to the deployment of a new system (We are all in) for reporting allegations online and confidentially. In addition, the number of investigations concluded increased significantly in spite of the difficulties posed by the COVID-19 crisis and the resulting restrictions on travel and movement.

19. Two IOM investigators helped with arrangements for the 20th Conference of International Investigators, which was held in Geneva in November 2019, and one IOM investigator is helping to prepare the 2021 Conference as part of the intake and planning group. One investigator was certified after having taken the Certified Fraud Investigator training course, and another four investigators are currently enrolled. One investigator represents the Office on the IOM Headquarters Task Force on the Prevention of Sexual Exploitation and Abuse, which coordinates the Organization's efforts in that area and represents IOM on the working group tasked by the United Nations Victims' Rights Advocate to draft a victims' rights statement. The Office is also a member of the Inter-Agency Digital Investigations Working Group, and its Forensics Officer contributed to the development of the Digital Evidence Guidelines, a new guidance document for investigation offices of United Nations organizations.

**Table 4: Investigation caseload**

<b>Status of investigations</b>	<b>Number of cases</b>
<b>Carried over from the previous period</b>	
Cases under investigation	68
Cases undergoing assessment	249
Cases assessed and pending investigation or closure	33
<b>Total cases carried over from the previous period</b>	<b>350</b>
Cases received during the reporting period (cases opened from 1 July 2019 to 31 August 2020)	715
<b>Total cases carried over and received</b>	<b>1 065</b>
<b>Cases closed during the reporting period</b>	
Post assessment	683
Referred to LEG Contracts	18
Directly referred to LEGGL	88
Finalized with an investigation report and referred to LEGGL	46
Investigation conducted and case closed with closure note	17
<b>Total cases closed during the reporting period</b>	<b>852</b>
<b>Status as at 31 August 2020</b>	
Cases under investigation	131
Cases undergoing assessment	49
Cases pending peer review or closure	12
Cases under investigation by third parties	21
<b>Total ongoing cases</b>	<b>213</b>

LEG Contracts: Office of Legal Affairs, Contract Division; LEGGL: Office of Legal Affairs, General and Administrative Law Division

## **Evaluation**

20. In line with the Office's Monitoring and Evaluation Strategy (2018–2020), the Organization's central evaluation function continues to reinforce a culture of evaluation in IOM and to build monitoring and evaluation capacities, offering expert advice and technical guidance to IOM field offices and Headquarters on monitoring and evaluation matters. The evaluation function promotes and supports an effective and decentralized approach to evaluation and works on effective systems to reinforce learning and accountability from evaluations.

21. The Office carried out its central evaluations as per its biennial evaluation workplan 2019–2020. During the reporting period, four evaluations were completed. In addition, the Office also conducted a meta-evaluation of all IOM evaluations implemented between 2017 and 2019 (88 in all) and launched, in collaboration with the Department of Migration Management, a synthesis of the evaluations of IOM voluntary return and reintegration programmes.

22. Evaluation function staff participated in several inter-agency evaluations, notably as members of the management group of the Cyclone Idai response evaluation in Mozambique conducted by the Inter-Agency Humanitarian Evaluation Steering Group; in the joint review of Rohingya response evaluations conducted by IOM, UNICEF and the Office of the United Nations High Commissioner for Refugees (UNHCR) in Bangladesh; and in the joint rapid evidence assessment of what works to protect children on the move conducted by UNICEF, UNHCR, the International Labour Organization and IOM. They are currently participating in other similar joint initiatives.

23. The Office continues to implement the recommendations of the report published by the Multilateral Organisation Performance Assessment Network in 2019. It issued a mandatory guidance note on “Management Response and Follow-up on IOM Evaluation Recommendations” in February 2020 and set up an internal repository of evaluations conducted at IOM, to facilitate the search of and access to evaluation reports.

24. The meta-evaluation conducted by the evaluation function assessed the quality of evaluations at IOM and proposed the establishment of a long-term quality-control mechanism. A third of evaluations reviewed met or exceeded quality requirements, half of the evaluations met certain requirements but not all, and 20 per cent did not meet minimum requirements. Evaluation quality has evolved positively over time. A United Nations Evaluation Group Peer Review of IOM Evaluation Policy and of the IOM central evaluation function was launched in July 2020 and a peer review panel established to pilot the exercise. The report on the peer review should be available in December 2020.

25. Evaluation function staff participated actively in the work and publications of the United Nations Evaluation Group and the Inter-Agency Humanitarian Evaluation Steering Group, and joined the Active Learning Network for Accountability and Performance in Humanitarian Action.

26. The Office published a guidance note on the “Continuity of Monitoring and Evaluation Interventions during COVID-19”, to help IOM field offices adjust their planned and ongoing evaluations, and to manage monitoring systems. The United Nations Evaluation Group also set up a specific working group on COVID-19, to harmonize adjustments and guidance.

27. In coordination with the regional monitoring and evaluation officers, a fourth training course on conducting internal evaluations took place in Bogota in July 2019. A total of 79 internal evaluators have been trained through this initiative, and 14 trained internal evaluators conducted an evaluation during the reporting period. The facilitator-led e-learning course on monitoring and evaluation was conducted in all three IOM official languages during the reporting period; 265 staff members completed the course in 98 offices worldwide, for a completion rate of 71 per cent of enrolled participants.

28. The Office manages a monitoring and evaluation network, which grew from 243 staff at the end of the previous reporting period to 312 in August 2020. The three webinars organized for the network during this period had an average of 48 participants. The Office also works closely with the regional monitoring and evaluation officers on regional evaluation plans and technical guidance, organizing regular quarterly meetings to that end.

29. Evaluation staff members continued decentralized quality control of internal and external evaluations in coordination with IOM regional monitoring and evaluation officers and the evaluation function. In addition to the central evaluations conducted by the Office, 51 decentralized evaluations (29 external and 22 internal evaluations) were added to the evaluation webpage ([www.iom.int/evaluation](http://www.iom.int/evaluation)).

### Internal audit

30. The internal audit function performs internal audits consistent with international audit standards. The audit universe is composed of processes, functions, projects, and regional and country offices. The annual audit workplan, which is based on a detailed risk assessment, is approved by the Director General.

31. Tables 5 and 6 below reflect the audit assignments performed during the reporting period.

**Table 5: Regional breakdown of audits performed**

	<b>Africa and the Middle East</b>	<b>European Economic Area</b>	<b>Asia and the Pacific</b>	<b>Central and North America and the Caribbean</b>	<b>Headquarters</b>	<b>Total</b>
Country office audit and follow-up audits	7	3	2	3		<b>15*</b>
Regional office audits	2	1				<b>3</b>
Project audits			1			<b>1</b>
Systems, process and functions audits		1	1		1	<b>2*</b>
<b>Totals</b>	<b>9</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>1</b>	<b>21</b>

*\*Reported figures include audits with audit reports released*

32. In addition to the planned audits, the internal audit function supported the Inspector General's work on three integrity reviews and two special reviews. Two internal auditors were assigned to support the investigation function for specific periods during the reporting period.

**Table 6: Other reviews**

	<b>Africa and the Middle East</b>	<b>European Economic Area</b>	<b>Asia and the Pacific</b>	<b>Central and North America and the Caribbean</b>	<b>Headquarters</b>	<b>Total</b>
Integrity reviews	3					<b>3</b>
Special engagement/management reviews		1		1		<b>2</b>
<b>Totals</b>	<b>3</b>	<b>1</b>		<b>1</b>		<b>5</b>

33. Although IOM management is responsible for implementing recommendations, the internal audit function continued to step up efforts systematically to monitor and follow up on outstanding recommendations with the units concerned.

34. Table 7 provides a breakdown of overdue internal audit recommendations (i.e. more than 12 months since the issuance of the audit report). In that respect, it should be borne in mind that the COVID-19 pandemic affected the efforts of separate units to expedite the implementation of overdue findings. The internal audit function will continue to work with IOM senior management on the implementation of outstanding recommendations.



**Table 7: Overdue recommendations by level of priority**

Year	Very high	High	Medium	Total
2017	1	2	4	7
2018	6	41	57	104
2019	13	70	113	196
<b>Grand total</b>	<b>20</b>	<b>113</b>	<b>174</b>	<b>307</b>

35. A recurrent finding is defined as one that is substantially similar in nature to another identified in consecutive audits or during any other audit within the reporting period. Recurrent findings require significant management attention as they are considered to present a very high to high risk. The recurrent findings and key areas for improvement revealed during the reporting period were consistent with the annual audit risk assessment results and previous reports. The internal audit function will continue to identify and include the root causes of such recurrent audit findings in its risk assessment process to facilitate production of relevant annual audit plans.

36. The main recurrent audit findings presented per audited area are as follows:

- (a) **Management and administration:** Lack of strategic annual plans, incomplete risk assessments and absence of updated delegations of authority, coupled with deficient resource and organizational structures, and outdated/incomplete business continuity and sustainability plans;
- (b) **Human resources management:** Lack of updated and relevant terms of reference, control gaps in local payroll processes, inadequate monitoring of relatives in the workplace, poor management of staff attendance and weak compliance with the Staff Evaluation System;
- (c) **Programme and project management:** Delays in project initiation due to donor requirements, in implementation and in donor reporting, which often lead to project underspends or overspends; instances where offices did not effectively manage implementing partners; weaknesses in project financial monitoring;
- (d) **Procurement and supply chain:** Absence of fully documented and transparent procurement processes, weaknesses in contracting processes, the inefficient use of PRISM (Processes and Resources Integrated Systems Management) to register and monitor procurement milestones, including establishment of purchase orders, and deficiencies in the administration of consultancy contracts;
- (e) **Asset management:** Poor inventory management related to reconciliation and tracking of assets coupled with poor use of PRISM dedicated modules and monitoring of assets handled by beneficiaries;
- (f) **Financial management:** Weaknesses including instances of incorrect recording and the use of suspense/general ledger accounts, ineffective management of cash in the office, especially in high-risk areas or operations, and segregation of duties during the execution of transactions;
- (g) **Information technology:** Deficiencies with respect to password protection protocols and lack of dedicated terms of reference for IT staff, inadequate business continuity plans and IT risk registers, and instances in which access to sensitive ICT areas was not restricted.

37. The internal audit function continued to publish condensed summaries of its internal audit reports within a reasonable timeframe after their release (available at [www.iom.int/internal-audit](http://www.iom.int/internal-audit)). In addition to the publication of condensed summaries, an effort has been made since October 2019 to obtain and publish updated management responses, in order to demonstrate the effort undertaken by management to address identified weaknesses.

38. As of March 2020, the pandemic impacted the annual audit plan, and the internal audit function had to readjust its priorities in the light of restrictions on staff movement. It has since introduced remote auditing protocols, continuous auditing, and advisory work for IOM senior management. In parallel, the review of new emerging risks is ongoing and will supplement the existing audit universe. Lessons learned will be applied during the 2021 annual planning process.

39. The internal audit function is also in communication with representatives of the internal audit services of other United Nations agencies and related organizations, and actively and regularly participates in working groups established to develop audit strategies and frameworks within the United Nations system during the pandemic. It regularly reviews suggested tools and techniques that can be applied to audit IOM activities.

40. Internal audit staff took specific COVID-19 online training related to internal audit and crisis management issues.