

STANDING COMMITTEE ON PROGRAMMES AND FINANCE

Twenty-ninth Session

STATEMENT BY THE DIRECTOR GENERAL

STATEMENT BY THE DIRECTOR GENERAL

1. Good morning and welcome. And a particular welcome to IOM's Deputy Directors General, Ugochi Daniels and Amy Pope, who join me here on the podium.
2. As we will have the opportunity to reflect more broadly on IOM's work at the end of November during the 112th Council, I will focus this morning on a few key investments and achievements, and some remarks on the upcoming budget.
3. This time last year, we were amid the highest point of the coronavirus disease 2019 (COVID-19) pandemic. Colleagues around the world were working furiously with governments and beneficiaries – from internally displaced persons residing in camps, to migrants left stranded without employment or housing – in order to ensure the worst impacts of the virus were averted.
4. This year, we find ourselves, I would say, cautiously optimistic – and this is not a small word for a Portuguese man – as vaccination campaigns slowly take hold, gradually freeing communities from the grip of COVID-19. This programming is, however, moving too slowly in many parts of the world. As the Deputy Chief Executive Officer of the GAVI Alliance pointed out last week during our International Dialogue on Migration, very few residents of low-income countries have been vaccinated with at least one dose – just 4.5 per cent as at 20 October – compared with more than 62 per cent of residents in developed countries.
5. For those on the move – migrants, refugees and internally displaced persons – the challenges of accessing vaccination, even in developed countries, are compounded. We must ensure the inclusion of all groups in vaccination programming, particularly those most vulnerable to infection, as well as support those countries where weak health systems are impeding both effective COVID-19 response and the roll-out of vaccination programming.
6. This is particularly the case in countries where conflict combines with long-term socioeconomic challenges, climate change and disaster, to leave communities trapped in devastation. The earthquake in Haiti earlier this year has left over 38,000 still internally displaced, while across sub-Saharan Africa, flooding from the rainy seasons is creating new displacements amid widespread food insecurity. The figures regarding food insecurity worldwide are highly disturbing.
7. And nowhere concerns us more at the current time than the unfolding situation in Afghanistan. I must say, a perfect storm is on the horizon. An accelerating economic crisis, the deepening impacts of drought, and the onset of winter combined with a potential new wave of COVID-19 infections and a health system on the verge of collapse. We must work to avoid that collapse, facilitate access to health services, and ensure individual and public health needs are integrated into our broader response.
8. We must urgently respond to the displacement crisis within Afghanistan, with over 660,000 new internal displacements so far in 2021. IOM is already delivering services in 19 provinces across the country, including emergency shelter and non-food items, health services, protection assistance at the borders, as well as disaster risk reduction, community stabilization, reintegration and assistance activities.
9. The continued openness of key neighbouring countries is critical, as we cannot discount the possibility that an aggravated humanitarian crisis will generate significant outflows in the coming months.

10. The IOM Comprehensive Action Plan for Afghanistan and Neighbouring Countries reflects the reality that mobility is hardwired into the region. It seeks to respond to the growing humanitarian needs in the country, while at the same time support neighbouring countries in their preparedness efforts; and address migration and displacement drivers, while also strengthening capacity for socioeconomic recovery and future sustainable development. We will continue to coordinate closely with our United Nations colleagues, and we urge you, Member States, to remain engaged, both in financial terms, as well as through diplomatic efforts to ensure the well-being of the Afghan population, and most significantly and particularly, the critical situation of women and girls.

Internal Governance Framework

11. By the end of June of this year, IOM had 16,922 staff, plus around 7,500 non-staff, for a total workforce of just over 24,000.

12. On the eve of IOM's 70th anniversary, we have the opportunity to reflect upon the growth of the Organization. Growth that has been spurred not only by the recognition that the management of migration and mobility – and the empowerment of migrants -- requires stronger international cooperation than ever before, but also by the significant challenges that migrants, displaced populations, and other people on the move continue to face.

13. Part of our effort to manage the Organization's growth has been to strengthen our internal governance.

14. Since the last Standing Committee update, the Business Transformation process has entered its final phase to select the future enterprise resource planning platform. We are now analysing the proposed solutions with a view to making a selection by the end of 2021, with implementation of the reform expected in early 2022.

15. As you know, the Business Transformation initiative represents a significant financial investment on our part, estimated at USD 56 million over four years. The budget for 2022 is USD 21 million and we have allocated an additional USD 6.5 million this year to partially cover the already planned costs in 2022. While the outstanding funding for 2022 still needs to be identified, I am increasingly confident that through a combination of earmarked and unearmarked funding and funding from the Operational Support Income (OSI) reserve we will secure the necessary funding for 2022 and beyond.

16. In this regard, I would like to take this opportunity to thank the several Member States that have provided critical unearmarked and softly earmarked funding to date, and more recently the Governments of the United States of America and Australia.

17. Implementation is not just about funding and delivery. To support the Internal Governance Framework transformation strategies, IOM has developed a change management strategy, which emphasizes a people-centric approach to change and provides the tools and resources to further empower staff in the workplace, including training, communication and increased field engagement.

18. In parallel, a new delegation of authority policy and structure is also being developed. The policy is focused on improving organizational responsiveness and agility through the much-needed clarification of reporting lines, roles and responsibilities, while establishing sound compliance mechanisms to ensure accountability. These, in turn, will drive efficiencies through the rationalization of decision rights and controls.

19. Deputy Director General Amy Pope will outline our work on the Strategic Results Framework, to measure progress towards the achievement of the Organization's strategic priorities, and she will do that in more detail during our meeting. It suffices to say that the Framework is being rolled out across the Organization, and we will aim to ensure it is fully embedded in 2022, and fully integrated into key reporting and project management processes, including PRIMA, which will allow us to aggregate our corporate results more robustly and have a more comprehensive picture of the achievements of the Organization.

Budget, core needs and structural adjustments

20. The Administrative Part of the Budget for 2021 remains unchanged at CHF 53 million, while the Operational Part of the Budget for 2021 has increased from USD 1.78 billion to USD 2.31 billion owing to additional funding received for ongoing and new activities. The projected OSI is expected to reach USD 135.7 million by the end of the year. We have allocated USD 5.7 million from the OSI reserve to proposed initiatives to strengthen the Organization in a number of ways.

21. The Administrative Part of the Budget for 2022 is presented on the basis of zero nominal growth, similar to 2021 and is presented at CHF 53.59 million. The Operational Part of the Budget for 2022 is based on anticipated funding and is estimated at USD 1.2 billion, which represents a 30 per cent increase compared with the amount projected at the same time last year. The OSI budget level projected for 2022 is USD 136 million, taking into consideration current and expected trends.

22. As communicated during our last Standing Committee meeting in June, I have taken a number of measures to streamline management structures at Headquarters, to incorporate new leadership roles and to further embed a culture of sharing and exchange across the Organization. The Administration intends for this to be the beginning of a dynamic structural adjustment process, addressing senior management priorities in the immediate term, which would gradually be reflected in IOM's regional and field structures.

23. These changes are reflected in a more comprehensive paper outlining how to rethink IOM's core funding structure, identifying needs and options for budget reform (WG/BR/2021/3), and I will recall the key elements here.

24. We have previously identified the projected costs associated with expanding our core structure in the field, and strengthening country office leadership, representation, and resource management, for a total of USD 34.8 million.

25. The Administration has carefully reviewed existing core structures within Headquarters and identified a number of areas in need of strengthening, which are aligned with the updated organizational structure, and total USD 11.86 million, with an additional USD 0.64 million identified to bolster the Office of the Inspector General and, more broadly, the internal justice system.

26. Finally, following a survey to quantify the cost of engagement with United Nations coordination mechanisms at field level, noting that the cost and scope of such engagement varies according to the different locations, we have identified additional needs of around USD 6 million per year. This includes the costs of participating in United Nations country teams, integrating migration into United Nations Sustainable Development Coordination Frameworks and common country analyses, implementing business operations strategies, and contributing to the shared costs of the office of the United Nations resident coordinators.

27. The zero nominal growth policy is leading – and I've said it over and over again – to significant contractions in real terms, as statutory incremental staff costs and the costs of goods and services

needed to manage the Organization and deliver services to our beneficiaries have had to be covered by a fixed budget for a long time. To address this over the period 2020–22, the Administration had to move a total of 43 positions out of this part of the budget. But the long-term impact of inflation and the sustainability of core functions remains of considerable concern, and yearly statutory increases based on the current structure come to a total of USD 6.6 million.

28. The final element – a review of regional office structures and needs – will be completed within the next few weeks. The identification of additional costs associated with their functioning will depend on the outcomes of the review of the geography and configuration of the regional offices themselves, as IOM looks to align its regional structures to those of comparable organizations within the United Nations system.

29. However, following our Working Group meeting last week, I have some concerns at the lack of advancement in our discussion. In my view, the budget reform needs to take into consideration the fundamental *modus operandi* of IOM, and aims to address the constraints that the Organization is working within, constraints well illustrated in the MOPAN (Multilateral Organisation Performance Assessment Network) report of 2017–2018, led by the way, by donor countries themselves. The resources we garner through our projects are not fungible, they are highly earmarked and represent 94 per cent of our budget, the highest figure in the United Nations system.

30. At the same time, while Member States are making more demands of IOM in terms of strategic direction, management structure, reporting and accountability – demands that I deeply want to meet – at the same time they need to acknowledge that these foundational, indeed core, functions have a price tag which cannot be simply subsumed within the thousands of projects which make up the IOM operational budget.

31. What is at stake for an organization with annual expenditures of close to USD 2.3 billion annually is an investment of a comparatively small sum of USD 60 million. Having entrusted us with so many critical and sensitive operations, I would hope for a similar attitude when it comes to the Organization's assessment of its core needs.

32. IOM's model does hold benefits, I have never questioned this. As I have told you over and over again, we do not intend to depart from our business model. But the extremes to which we have stretched this model simply make it unsustainable at this stage, regardless of what other creative approaches we may be able to come up with to try and do more with less.

33. I do not advocate budget reform on my own behalf, as you can imagine. I advocate on behalf of the many thousands of staff who work tirelessly for IOM, frequently in difficult and distressing conditions, and who remain constantly vulnerable to the vagaries of project funding. I cannot protect them unless I can convince you to view IOM – and its staff – as an asset worth investing in and worth safeguarding.

Institutional commitments

34. Excellencies, as a final note, I would like to highlight our continued work to meet our institutional commitments, including on disability inclusion, prevention of sexual exploitation and abuse and gender, and draw attention to our continued internal conversation on racism and diversity.

35. IOM continued to develop its work on disability inclusion, in line with the United Nations Disability Inclusion Strategy, with the formation of an IOM disability inclusion network and continuous engagement in global forums on disability inclusion. IOM has launched an e-learning course for IOM staff, which includes content on the concept of disability, vulnerability, data and interacting with

persons with disabilities. In the field, IOM has been working in a number of countries – including Bangladesh, Ethiopia, Iraq, Mozambique, Nigeria, South Sudan and Turkey – to support persons with disabilities, including through partner organizations.

36. Following the appointment of a Senior Coordinator for the Prevention of Sexual Exploitation, Abuse and Sexual Harassment (PSEA/SH) within the Office of the Director General in late 2020, IOM's internal PSEA/SH task force has adopted a strategy to guide the Organization in meeting its commitments at all levels of IOM. The strategy sets out five priority areas, including leadership and organizational culture, institutional accountability and transparency and accessible and quality victim assistance.

37. IOM has also contributed to system-wide efforts, including training of PSEA coordinators who can deploy through the Inter-Agency Standing Committee (IASC) and the Norwegian Refugee Council's roster of global experts. IOM also led the recent IASC update of PSEA coordinator terms of reference.

38. IOM is preparing to revise its Gender Equality Policy, based on a recent internal evaluation, ensuring that not only will the Organization continue to be able to contribute to the realization of Sustainable Development Goal 5 and the United Nations System-Wide Action Plan on Gender Equality and the Empowerment of Women, but also that it will continue to strengthen gender architecture across the Organization while remaining a responsive operational actor.

39. Within its own staffing, IOM has reached gender parity across the Organization in both the national and international categories. Among international staff, women represent 47 per cent of the total IOM workforce in 2020. We have achieved gender balance at P-2 and P-3 levels and are approaching this at P-4 and P-5 levels. At the Director levels, we still have room for improvement with women occupying just 32 per cent of D-1 positions and 35 per cent of D-2 positions, but special measures are in place to correct this. Among national staff, we have gender parity from G-3 to G-6 grades. Perhaps most critically, this year, the Organization has doubled its female representation at the Deputy Director General level, and I can already see the substantive impact of their leadership at IOM.

40. IOM, through a collaboration between the Global Staff Association Committee, the Human Resources Management Division and the Office of the Director General, has commissioned external consultants to conduct an extensive review of racial equity within IOM, through staff surveys and interviews, building on the whole-of-organization discussion that began in 2020, which has continued into 2021. This work will culminate in a five-year strategy on race equity and equality, that will complement existing measures to promote diversity, equity and inclusion in the workplace.

Conclusion

41. Excellencies, we have a great deal to discuss over the next two days, and a great deal of work ahead. Our work, together, to build a resilient IOM is not born of self-aggrandisement. Institutional reform cannot be an end in itself. It is a long-term endeavour to ensure IOM can meet the growing, complex needs of people on the move. Needs which are only likely to increase in the future, due in no small part to climate change and environmental degradation.

42. In 2020 alone, over 30 million people were internally displaced by disasters, the vast majority in developing countries. Meanwhile, the World Bank has estimated that there will be more than 216 million internal climate migrants by 2050, across six regions, and almost 40 per cent of them within sub-Saharan Africa. The World Bank has just identified 30 critically vulnerable countries to climate change. Equally critically, this estimate drops by 80 per cent should we succeed in sharply reducing global greenhouse gas emissions and taking appropriate adaptation measures.

43. We speak here, today, one week before leaders gather in Glasgow for the Twenty-sixth Conference of the Parties to the United Nations Framework Convention on Climate Change (COP26). IOM is calling on the international community to acknowledge the importance of human mobility linked to climate change in all relevant policies, in line with the available climate and migration evidence. We must enhance climate change adaptation measures, actions, and resources to avert and minimize displacement and strengthen people's resilience. We need greater focus on the most vulnerable countries and people, and more inclusive mobilization of the whole of society, associating public and private partners, as well as displaced persons and affected communities.

44. IOM needs on its own to strengthen itself, to help those communities most at risk, and those many that are already experiencing change. I trust that you will continue to put your faith in IOM as you have for now almost 70 years and help us build support for migrants and migration – well, let's be modest – at least for the next 70 years.