

**STANDING COMMITTEE ON PROGRAMMES AND FINANCE**

**Thirty-first Session**

**REPORT ON THE IMPLEMENTATION OF THE  
EXTERNAL AUDITOR'S RECOMMENDATIONS**



## REPORT ON THE IMPLEMENTATION OF THE EXTERNAL AUDITOR'S RECOMMENDATIONS

### Introduction

1. The External Auditor, the Auditor-General of Ghana, submitted his report for the financial year 2022 (S/30/CRP/1) to Member States at the Thirtieth Session of the Standing Committee on Programmes and Finance, held in June 2022.

2. The Administration accepted the recommendations made in the report and said that it would take action to address them. It remains committed to doing so, but underlines that, in some cases, full compliance will require additional resources and time.

3. The table below indicates the number of recommendations made by the External Auditor in the past five financial years and earlier, and the number implemented.

	Audited financial year						Total
	2016 and prior years*	2017 S/22/CRP/1*	2018 S/24/CRP/1*	2019 S/26/CRP/1*	2020 S/28/CRP/1*	2021	
Number of recommendations made	127	54	35	56	38	35	345
Implemented prior to last update (S/29/7)	-122	-50	-26	-55	-22		-275
Implemented since last update	-1	-2	-5	-	-13	-14	-35
<b>Outstanding at the current update</b>	<b>4</b>	<b>2</b>	<b>4</b>	<b>1</b>	<b>3</b>	<b>21</b>	<b>35</b>

\* Reports of the External Auditor (2016 and prior years: 2014 (S/16/CRP15), 2015 (S/18/CRP/1), 2016 (S/20/CRP/1))

4. The Annex to this report contains a table listing the recommendations that were pending at the last report and those on which action was taken during the 2021 and 2022 financial years. The table also presents the following: (a) the IOM management response; (b) a description of the remedial action taken, planned and/or in progress; and (c) the planned date of completion for any pending recommendations.

5. The recommendations listed in the Annex are grouped as either "Ongoing" or "Implemented". For ease of reference, they are listed, whether they are open or closed, by most recent financial year, in the same sequence as in the respective audit report, and by type of audit, namely, certification, interim, performance or compliance.



**ONGOING RECOMMENDATIONS (continued)**

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Planned date of completion
	S/30/CRP/1			
2021 CERTIFICATION AUDIT Geneva (21-CT-CH10-01)	We recommended that the Organization should provide the required resources and adopt a coordinated approach to create and implement processes that support data privacy and protection and also update IOM Data Protection Manual.	Management agreed with the recommendations and stated IOM had allocated funding to a two-year Data Protection and Privacy Programme that will focus on: review of policies and processes; update and develop new trainings and dissemination materials; partnerships with data protection stakeholders, including states and other international organizations; continuous provision of advice on IOM projects, work in general compliance with IOM's policies and network of focal points, review of data sharing agreements, handling of requests and complaints from data subjects; and outreach. Management added that the updated policies and procedures will be revisited and updated on a continuous basis to account for new developments in law and technology.	Implementation of the Data Protection and Privacy Programme (D3P) effectively started in August 2022. The requisite staff was recruited and is currently on board, and an additional external consultant hired to assist. The D3P will address the implementation of audit recommendations and will run for a two-year period as of its start date.	August 2024
2021 CERTIFICATION AUDIT Geneva (21-CT-CH10-02)	We recommended that the Organization should adopt a comprehensive cross-cutting cybersecurity management and allocate resources to contribute to attaining the desired level of information security protection.	Management agreed with the recommendation and stated that it was committed to address the critical need of enhancing its cybersecurity environment. Management added that the needed investments have been defined and integrated into the new ICT strategy 2022-2025. Management further stated that the Director General had authorized the drawdown of USD 4million from the OSI reserve to enable implementing the most critical improvements in year 1.	Activities under the cybersecurity programme will commence upon confirmation and receipt of funds from the OSI reserve in Q4 2022.	December 2025

The following acronyms are used in this table:

BCP: business continuity plan  
ERP: Enterprise resource planning  
FMRP: Financial Management Rules and Procedures  
GPSU: Global Procurement and Supply Unit, Manila Administrative Centre  
HCPU: Health Claims Processing Unit, Manila Administrative Centre  
HRM: Human Resources Management Division  
ICT: information and communication technology  
IGF: Internal Governance Framework  
IPSAS: International Public Sector Accounting Standards

KPI: key performance indicator  
OSI: Operational Support Income  
PRIMA: Project Information and Management Application  
PRISM: Processes and Resource Integrated Systems Management, the current IOM ERP system  
PSD: Procurement and Supply Division  
SCPF: Standing Committee on Programmes and Finance  
SOP: standard operating procedure  
VAT: value added tax

## ONGOING RECOMMENDATIONS (continued)

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Planned date of completion
	S/30/CRP/1			
2021 CERTIFICATION AUDIT Geneva (21-CT-CH10-03)	We recommended that the Organization should adopt generally accepted good practices by keeping the AOAC ToR abreast with new developments within the Organization so as to enhance its advisory role.	Management agreed with the recommendation and indicated that it will facilitate the review of the Terms of Reference of the AOAC.	Work on this recommendation is ongoing.	December 2022
2021 CERTIFICATION AUDIT Geneva (21-CT-CH10-06)	We urged Management to continue to explore opportunities to leverage on FinCoorP as well as continuously improve the system which would enable IOM to move from reactive financial control to system-integrated, proactive and more efficient monitoring practices.	Management expressed its gratitude for the positive observation and agreed with the recommendation. Management highlighted that communication between the staff and IOM central financial services is already facilitated via Financial Coordination Platform (FinCoorP), whether received via emails or via the platform. Management added that to advocate for direct submission of queries via FinCoorP, as opposed to via emails, it will launch enhanced communication efforts such as the intranet landing page, SharePoint and targeted FinCoorP awareness raising articles.	<p>Additional awareness-raising efforts were implemented in 2022 to increase the proportion of users filing queries directly via FinCoorP, as opposed to indirectly via their respective mailboxes. While the specific processes hosted in FinCoorP are not for the most part stand-alone requests, and email queries therefore cannot be totally eliminated, the proportion of direct users increased significantly in 2022 thanks to these efforts. Further, new processes related to the Treasury and Budget functions are being continuously added to the system, to expand its reach and to further streamline communication.</p> <p>Steps have been taken to specifically and immediately streamline accounts payable processing via the development and global roll-out of the Online Invoice Payable Application, digitization of the entire workflow, approval process and documentation of payables, in synergy with the previously launched eFiling, Online Purchase Request, Vendor Management System and Travel Application solutions.</p> <p>With these improvements, implemented under the IGF, the Administration considers this recommendation implemented, with further improvements planned as part of the Business Transformation process.</p>	September 2024

**ONGOING RECOMMENDATIONS (continued)**

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Planned date of completion
	S/30/CRP/1			
2021 INTERIM AUDIT Manila Admin Center (21-IN-PH98-01)	We recommended that Management should consider the need to conduct an external assessment of the OIG functions to improve IOM internal oversight functions and strengthen its core structures as well as design it to better deliver support to the entire Organization.	OIG accepted the recommendation of a holistic review of the assurance mapping and services provided by the Office of the Inspector General (i.e. for internal oversight) and by the External Auditor (i.e. for the external oversight), currently the Ghana Audit Service, so to ensure full synergy without duplication of the services provided, while respecting the independent nature of these two functions. OIG confirms herewith that subsequent to the recommendation date of 14 January 2022, IOM received on 17 January 2022 the KPMG report on 'External Quality Assessment of the Internal Audit function of the Office of the Inspector General' and based thereon considers the recommendation as implemented and closed.	Work on this recommendation is ongoing.	First half 2023

## ONGOING RECOMMENDATIONS (continued)

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Planned date of completion
	S/30/CRP/1			
2021 INTERIM AUDIT Manila Admin Center (21-IN-PH98-02)	We recommended that Management should continue to dialogue with Member States and other donors regarding the need to attract additional financial resources to fully realize the reform agenda.	Management agreed with the observation and recommendation and indicated that it will continue to engage with Member States in implementing the reform agenda and secure the necessary financial resources	In SCPF Resolution No. 31 of 28 June 2022, IOM Member States approved a staggered approach to budget reform implementation, with increases to the Administrative Part of the Budget spread over five years. While this will increase the Administrative Part of the Budget by USD 12 million each year (resulting in a total increase by 2027 of USD 60 million), the Administration had requested an overall increase of USD 75 million. Discussions continue with Member States on possibilities for bridging this gap and options to fund needs at an earlier stage through unearmarked voluntary contributions. Thus, while full implementation of budget reform will take the next five years, this item is considered closed for the purposes of the audit follow-up, it being understood that the Administration will continue to engage with Member States on sustainable financing of the core structure. It should also be noted in that context that Member States have committed to discussing the policy of zero nominal growth in the Administrative Part of the Budget by 2025, to reviewing the Administrative Part of the Budget in 2027 and to consider further increases to the Administrative Part of the Budget so as to ensure that IOM has a sustainable financial model.	December 2022



**ONGOING RECOMMENDATIONS (continued)**

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Planned date of completion
	S/30/CRP/1			
<p>2021 PERFORMANCE AUDIT Manila Admin Center (21-PE-PH98-01)</p>	<p>Based on our conclusions, we recommend the following actions for implementation:</p> <ul style="list-style-type: none"> <li>• Require from staff working in the HR Offices of IOM to as part of submitting contract confirmation of UNJSPF eligibility, submit update of bio data on members, and implement applicable pensionable remuneration rates effectively and confirm exit of payrolls in a timely manner.</li> <li>• Educate members to take keen interest in examining their annual contribution statement to check the accuracy of contributions as well as their bio details and report any anomaly to the IPAU through the HR units.</li> <li>• IPAU should employ other means such as direct telephone call to the separated staff or liaise with the HR unit of the separated staff to get the separated staff to complete the pension payment instructions.</li> </ul>	<p>Management agreed with the first recommendation and stated that the Department of Human Resources is hoping to start implementing a centralized Global Payroll in the coming months. With regard to the accuracy of bio data, IOM is currently undergoing a data cleansing process ahead of the data migration to the new Enterprise Resource Planning (ERP) system, which should significantly help with data integrity in general.</p> <p>Management agreed with the second recommendation and stated that the IOM Pension Administration Unit will conduct more webinars to educate Participants and will continue to send reminders to Participants to access their Pension Annual Statements, including the access to check their IOM Pension data and underline the importance of informing the Pension Administration Unit of any discrepancies in their data.</p> <p>Management agreed with the third recommendation and indicated that the IOM Pension Administration Unit will coordinate through the Panama Administrative Centre to get the Pension Administration Unit included on signing off on the exit clearance forms, and HR separation letters to staff members to include contacting the Pension Administration Unit for guidance on submission of the required pension documents.</p> <p><b>AUDIT</b></p>	<p>Implemented for the current pension administration systems. Discussions on how to ensure accuracy of biographical data have been held with the Business Transformation team in respect of the strategy for migrating them to the new ERP.</p>	<p>January 2023</p>

## ONGOING RECOMMENDATIONS (continued)

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Planned date of completion
	S/30/CRP/1			
2021 COMPLIANCE AUDIT Athens (21-CO-GR10-01)	We recommended that the CoM should monitor and follow up on outstanding payables with the Greek Authorities to ensure recovery of the VAT amount.	Management agreed with the recommendation and indicated that the approval for VAT exemption by the Greek administration is a complex process that takes a minimum of two months, however, IOM Greece had received VAT exemption for a total amount of EUR 12,258,316.00.	Together with the competent national authorities, IOM has established a procedure for the timely submission and clearance of relevant documents for the VAT exemption. Although the process depends on the public administration, IOM management monitors the procedure closely to ensure the recovery of VAT. As at 31 August 2022, IOM Greece had received VAT exemptions for a total of EUR 14,921,957.81.	December 2022
2021 COMPLIANCE AUDIT Athens (21-CO-GR10-02)	We recommended that the CoM should continue to follow up on the donors and ensure that all outstanding clarifications to resolve the final report are carried out so as to liquidate outstanding receivables to facilitate implementation of project activities.	Management accepted the recommendation and stated that the Office is in close coordination with the Regional Office and will promptly follow up on requests for clarifications received by the donor on Final Reports, to facilitate the timely liquidation of final payments.	In coordination with the Regional Office, IOM Greece is closely following up with the respective donors to ensure the timely liquidation of outstanding deliverables. As at 31 August 2022, outstanding donor operation receivables (over 121 days) stood at USD 84,892.00.	December 2022
2021 COMPLIANCE AUDIT Athens (21-CO-GR10-03)	We recommended that Management should continue to liaise with IOM Headquarters with the view of pursuing the signing of an updated host country agreement and obtain full privileges and immunities accorded to other intergovernmental organizations.	Management agreed with the recommendation and stated that the Office will continue to liaise with the relevant Authorities and IOM Headquarters to ensure the signing of an updated host country agreement.	The signing of an updated host country agreement is a priority for IOM Greece, so that IOM benefits from privileges and immunities substantively similar to those of the 1947 Convention on the Privileges and Immunities of Specialized Agencies, in line with Council Resolution No. 1266 of 26 November 2013. To that end, it has liaised with the Office of Legal Affairs and coordinated replies and clarifications requested by the Greek Ministry of Foreign Affairs in the context of the ongoing negotiations. It has pursued unofficial follow-up contacts with the Ministry, keeping, as always, an open line of communication with all relevant authorities, and expects to receive an official reply to the clarifications provided and to a counter-draft host country agreement from the Ministry.	December 2022

**ONGOING RECOMMENDATIONS (continued)**

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Planned date of completion
	S/30/CRP/1			
2021 COMPLIANCE AUDIT Athens (21-CO-GR10-04)	We recommended that in view of the widening scope of migration activities undertaken by the Office, the CoM should liaise with IOM Regional Office in Brussels and the Publications Unit to obtain the required approval of the Strategic Plan and ensure its implementation.	Management agreed with the recommendation and stated that the Office will finalize the Strategic Plan, obtain all required internal approvals and ensure its implementation.	The IOM Greece strategy for 2022–2025 was redrafted in July 2022 and is currently with the office’s senior management for review, prior to submission to the Regional Office in Brussels in September 2022 for review and sign off. The proposed date for public release is November 2022.	November 2022
2021 COMPLIANCE AUDIT Brasilia (21-CO-BR10-01)	To ensure that the Office’s information assets are properly safeguarded, we recommended that the BCP should be regularly updated to include simulation procedures and implemented. We also urged the Office to comply with the requirement to conduct yearly simulation drills for the ICT component of the BCP with a view to ensuring that the recovery functions are effective and working properly.	Management agreed with the recommendation and stated that simulation procedures will be added and implemented, including yearly simulation for ICT component.	The office's information assets are stored in the cloud, as instructed by IOM ICT Global. ICT simulation procedures will be added to the BCP and tested in September 2022.	November 2022
2021 COMPLIANCE AUDIT Hanoi (21-CO-VN10-01)	We recommended to Management to strengthen their supervision over the project management and ensure that all factors under their control that hinder the smooth implementation of projects are eliminated or brought to the barest minimum to allow for speedy project implementation and completion.	Management agreed with the recommendation and added that it will carry over the unspent project funds into next project year to complete the pending activities by the end of the project.	As of August 2022, IOM Viet Nam has 16 ongoing grant-funded projects, four of which are due to be completed in the final quarter of 2022 and are on track for full expenditure. Three projects due to be completed by year end are also on track, except for one activity (under project PX.0296) that the donor agreed to have carried over to the next cycle, given the changed political climate in the region.	December 2022

## ONGOING RECOMMENDATIONS (continued)

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Planned date of completion
	S/30/CRP/1			
2021 COMPLIANCE AUDIT Khartoum (21-CO-SD10-01)	We recommended to the Management of the Office to speed up its project implementation activities to ensure that all the funds are effectively utilized within the projects' duration.	Management attributed the lapse to the revolution and military takeover which affected IOM, other UN agencies, and INGOs/NGOs in implementing humanitarian response as changes in government structure, sporadic protests, roadblocks, and internet cut-off, among others, directly impact IOM projects. It added that the surge of COVID cases in Sudan causing the lockdown in 2020 also affected project implementation in Sudan.	<p>IOM Sudan has taken several steps to address the delay in implementation:</p> <p>(a) It has organized retreats in Khartoum and field offices, and held meetings focused on efficient and effective programme implementation.</p> <p>(b) It organized project management training sessions in August 2022 that were attended by programme managers and resource management staff.</p> <p>(c) The Head of Programme receives monthly project management updates on all projects in Sudan, for follow-up and coordination of critical programme activities.</p> <p>(d) PRIMA activation is being expedited and followed up.</p> <p>While the political situation remains uncertain and protests could turn violent in some areas to which access may not be granted, to the extent possible, IOM communicates these to donors to ensure transparency in any project delays.</p>	December 2022
2021 COMPLIANCE AUDIT Khartoum (21-CO-SD10-02)	We recommended that the RMO and CoM should regularly follow up with the Tax Authorities to ensure timely collection of the VAT receivables.	While agreeing with the recommendation, Management indicated that the issue on VAT is a UN wide concern in Sudan and that the Finance and Admin Working group at the UN level will be pushing for an upfront VAT exemption to all UN agencies to avoid accumulation and delayed refund of VAT to UN agencies. Management added that IOM will put in place a measure to regularly follow-up with the VAT office.	IOM Sudan regularly follows up VAT claims (in person); however, the Ministry of Finance is being restructured and has stopped all processing of VAT claims for all agencies. On 9 September 2022, the United Nations Resident Coordinator sent the Ministry of Foreign Affairs, with a copy to the Ministry of Finance, a request for the reimbursement of all VAT claims and an upfront exemption letter to United Nations agencies. The Regional Coordinator has also offered additional resources to the Ministry of Finance in order to expedite the reimbursement process. The Regional Coordinator will follow up on the Ministry's response to the letter.	December 2022

**ONGOING RECOMMENDATIONS (continued)**

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Planned date of completion
	S/30/CRP/1			
2021 COMPLIANCE AUDIT N'djamena (21-CO-TD10-04)	We recommended that Management should put in place controls that ensure that employees make good their indebtedness and account for all IOM properties in their custody before they exit.	Management indicated that procedures for separations are already in place and being followed and that the staff was rehired and still active (except for one staff member).	All departing staff members have to obtain a document (Exit Clearance) signed by the Human Resources, Finance, Logistics, IT and Security Units and the Resource Management Officer, to ensure that they have returned all material. Each unit checks what is relevant to it (e.g. IT recovers hardware; Security recovers the badge and radio).	December 2022
2021 COMPLIANCE AUDIT N'djamena (21-CO-TD10-05)	We recommended to Management to introduce control mechanisms that ensures that advances to employees are retired within five days after the end of the activity in respect of which the amounts were advanced.	Management took note of the recommendation and stated that the advances are being closely monitored. Management indicated that the context in which IOM Chad operates creates some challenges in the monitoring of staff advances. It added that there are no financial institutions in the north of the country, hence the need for the Office to operate with operational advances in those areas.	A staff member at the office in N'Djamena regularly checks advances on vendors' accounts and works directly with the Financial Assistant in the sub-office, who receives, checks and sends the Expense Reports as they are received so that they can be cleaned up while waiting for the physical documents to be sent. Previous advances must be justified before another advance can be requested.	December 2022
2021 COMPLIANCE AUDIT Quito (21-CO-EC10-02)	We recommended that the Resource Management Officers and Chief of Mission should regularly follow up with the tax authorities for early refunds of VAT reimbursables to enhance the cashflow of the Office.	Management explained that the pre-pandemic economic crisis in Ecuador, plus the impact of COVID 19 on state finances, had resulted in a significant delay in VAT refunds. Management added that the emergency exit of USAID from Ecuador in 2012 also led to a very long process regarding the refund of VAT.	During the COVID-19 pandemic, IOM Ecuador regularly followed up with the tax authorities. It received reimbursements for two VAT refund periods in July and for one VAT refund period in August, but not all reimbursements have been received. The office continues to work with other United Nations agencies to ensure that VAT refunds are maintained.	December 2022

## ONGOING RECOMMENDATIONS (continued)

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Planned date of completion
	S/30/CRP/1			
2021 COMPLIANCE AUDIT S Salvador (21-CO-SV10-01)	We recommended that the Office should ensure timely recovery of the advances from the affected staff in compliance with the HR operation procedures.	Management indicated that the remaining balances approximately 85% correspond to operational advances, which were approved under exceptional circumstances due to the nature of some Programs. Management stated that it is committed to analyse the situation of every program to find a solution to meet operational needs of the Programs without granting advances to staff vendors. Management added that it had taken action on open outstanding items on staff vendor's accounts in 2021 for which recovery of funds is performed every month and several communications with the accounting unit and staff to continue with the deductions as agreed.	IOM Ecuador has settled part of the outstanding balance and expects to settle it in full by the end of 2022.	December 2022
2021 COMPLIANCE AUDIT S Salvador (21-CO-SV10-02)	We recommended that the Chief of Mission and the Resource Manager should in future explore the option of rollover of funds at the inception of the project negotiations to enable the Office to make a formal request for the rollover of funds on closed projects, to secure unspent funds for the subsequent period projects.	Management indicated that some of the projects implemented by the Office were managed by other Offices, but the CoM and Resource Manager Officer take the necessary steps to monitor the execution and advise the Project Manager or Project Coordinator. Management added that with some of the projects, rollover of funds does not apply as they do not have a next phase to carry forward the funds, hence a reimbursement of funds to the donor.	Some of the projects have been technically completed (including return of unspent balances). The rest are to be finalized as soon as possible.	December 2022

**ONGOING RECOMMENDATIONS (continued)**

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Planned date of completion
	S/30/CRP/1			
2020 CERTIFICATION AUDIT Geneva (20-CT-CH10-01)	We recommended that Management should improve the ICT Infrastructure to enable tighter access control and a more robust management of the ICT infrastructure to reduce its vulnerability to intrusion. We also recommended the need for additional tools and staff resources to enhance the Organization's capacity to monitor the ICT environment for attempted information security breaches. We also urged Management to update the ICT Strategy and policies with the emergence of sophisticated cyber-attacks which include web-based and non-traditional systems and addresses.	Management welcomed the recommendations and stated that in the second half of 2021, the ICT Division will work with MCD to refresh and redesign the websites to significantly improve the security posture for IOM's websites. Management added that the ICT Division is in the middle of implementing its 3-year strategy which includes: strengthening of its digital core covering a refresh of the ICT Security strategy and a rebuild of the Infrastructure and Operations Function; and the establishment of a digital center of excellence covering the rearchitecting of MiMOSA, establishment of a data, analytics and BI cell, and a refresh of the ERP solution (PRISM).	Activities are ongoing. All initiatives have agreed timelines and it is expected that they will be fully implemented in 2024.	December 2024
2020 COMPLIANCE AUDIT Kabul (20-CO-AF10-02)	We recommended that the CoM should establish an effective risk management system in compliance with IN 213 and ensure systematic identification and documentation of significant risks and put in place the necessary controls to mitigate the risk.	Management took note of the observation and indicated that the Office through the Senior Resources Management Officer is working on plans to initiate the preparation of a Risk Register under the close guidance of the Chief Risk Officer from HQ Geneva and gave 31 March 2021 as the target completion date.	The Risk Register has been finalized and is currently being reviewed by the Deputy Chief of Mission for endorsement by the Chief of Mission.	December 2022
2019 CERTIFICATION AUDIT Geneva (19-CT-CH10-03)	We urged management to consider the determination of a threshold and a discount rate which would be applicable to guide assigned staff so as to eliminate any discretionary interpretation on how the non-current assessed contribution receivable ought to be treated in the Annual Financial Report.	Management agreed with the recommendation and stated that they would determine a threshold and discount rate for non-current assessed contribution receivables.	The appropriate threshold is being assessed in coordination with an IPSAS consultant, with a view to finalizing it in time for incorporation into the next version of the IOM IPSAS manual.	December 2022

## ONGOING RECOMMENDATIONS (continued)

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Planned date of completion
	S/30/CRP/1			
2018 CERTIFICATION AUDIT Geneva (18-CT-CH10-05)	We recommended that Management should establish SOP to guide the process for sharing HR data with the relevant offices and conduct an assessment of SAP PRISM with a view to enhancing its reporting capabilities towards this process. All mandatory staff record fields such as entry and end date should be appropriately filled to ensure accurate determination of employee benefits.	Management agreed with the recommendation and stated that it will assess the options available in enhancing PRISM reporting capabilities towards HR data processing.	Work is ongoing to automate data collection for submission to the actuary and to incorporate business requirements within the scope of the Business Transformation under the human resources management stream. The SOPs are under consideration but subject to an assessment as to what extent automation could be considered within the current PRISM system, given the Business Transformation initiative.	First half of 2023



**ONGOING RECOMMENDATIONS (continued)**

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Planned date of completion
<p>2018 CERTIFICATION AUDIT Geneva (18-CT-CH10-06)</p>	<p><b>S/30/CRP/1</b></p> <p>We urged Management to take the necessary steps to ensure timely recruitment of the Project Director and include as part of their terms of engagement clear timelines in liaising with the necessary stakeholders and act on the actions outlined in the Council's resolution. Management should also ensure the timely development of the prototype design for the new building and assess the impact to the other occupants of the adjoining building sharing the same perimeter with IOM. Furthermore, we would continue to provide independent assessment as part of our annual audit assurance of the Organization's operations to augment oversight activities on the implementation of the Project to enable the Organization take proactive measures to mitigate any potential operational or financial risk.</p>	<p>Management stated that IOM has not engaged with other institutions in the annex building regarding the Project, and further stated that although the two buildings share common services for heating and garage, the owners of the properties manage them independently. The Swiss Building Foundation for International Organizations (FIPOI) provides general oversight for both buildings so is responsible for any overarching issues that impact the owners of the buildings. FIPOI is also formally the designated focal point of the Government of Switzerland for the new IOM building project. Consequently, any issues relating to the new building which will impact IOM neighbours will be managed by them. The construction of the new building will not have any direct impact on the adjoining building. The IOM Administration will nonetheless take proactive steps to inform the neighbours on development as appropriate. IOM is currently in the process of procuring a consultancy to start preparatory work that will be used to undertake the initial assessment and establish the pre-requisite for the project in order to define the exact cost of the Project. This initial work by the Consultant will be continued by the Project Director for whom the recruitment will take a longer time. The Director General has already established a Steering Committee which provides oversight to the whole process and the Administration commits to ensure that adequate planning, consultation and active engagement with Member States, stakeholders and stringent procurement and internal controls measures will be strictly adhered to. The Administration will continue to rely on the independent assessments of the External Auditors throughout the life of the project from the initial conceptualization phase to completion.</p>	<p>All action points are close to being finalized. The winning proposal in the architecture competition was designated unanimously by a panel comprising IOM representatives, a member of the Council Bureau and host State representatives (FIPOI, State of Geneva, Commune of Grand-Saconnex). The winning team of architects and the HQ building project team are currently discussing contractual terms in coordination with the Office of Legal Affairs, under the supervision of the Steering Committee. The competition results were publicly announced in September 2022, once the panel report has been validated (as per SIA 142 competition rules) and the winning and other projects will be presented to Member States during the SCPF session in November 2022 and the Council session in December 2022. The winner of the competition is an architect office based in Viet Nam that partnered with a Swiss architect from Lausanne. Both firms have undergone a due diligence process in terms of capacity, performance and risks. The architect will be contracted as the general planner, and all necessary engineers and specialists as subcontractors. The entire process was coordinated with GPSU and the Office of Legal Affairs. The terms of reference of the independent risk assessor and adviser were finalized after consultation on lessons learned by other international organizations. The procurement procedure will be completed in October 2022. The project organization chart has been revised after consultation with other international organizations that have completed similar projects, discussed with the Steering Committee and endorsed by the Director General. Quarterly financial reports from IOM to FIPOI have been delivered on time, as requested in the study loan contract and to FIPOI's satisfaction. Discussion of the Land Lease Agreement conditions are ongoing.</p>	<p>November 2022</p>

## ONGOING RECOMMENDATIONS (continued)

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Planned date of completion
	S/30/CRP/1			
2018 PERFORMANCE AUDIT Geneva (18-PE-CH10-01)	To improve upon procurement planning, we recommended that IOM should ensure that: issues of procurement plan should be assessed and addressed at project development stage; PSD should strengthen its oversight functions; staffing position at GPSU and PSD should be improved; IOM should restructure PSD and widen its scope to serve as a specialized unit in supply chain and value management.	Management accepted the recommendation and indicated that additional guidance on procurement planning will be provided within the upcoming revisions of the Procurement Manual (IN168) and Project Handbook (IN/250). PSD will continue issuing Procurement and Supply Chain alerts to facilitate information sharing and enhance oversight and compliance to standards and procedures. In collaboration with HRM/Staff Learning and Development, PSD will develop training modules for the end-to-end procurement value chain that will be accessible and certifiable	The Supply Chain Division signed a memorandum of understanding and contract with the Università della Svizzera italiana (USI) for advisory and consulting services in the areas of planning, reporting and analytics. This project aims to produce standardized planning templates and procedures for supply chain management staff in IOM; to date, two workshops have been conducted with USI on KPIs. The project will be concluded and a procurement planning training session held in the fourth quarter of 2022. Roll-out and support are expected to continue until early 2023. The Division has requested funding for five new positions at Headquarters (including two existing, projectized positions) and several positions at the Manila Administrative Centre, to enhance its policy, support and oversight capacities.	March 2023
2018 PERFORMANCE AUDIT Geneva (18-PE-CH10-04)	To improve upon its procurement options, we recommended that Management should review the Procurement Manual to align with United Nations standard procurement policy structure and ensure compliance in all offices. Again, mandatory institutional procurement training should be conducted for all procurement and non-procurement staff to ensure that human errors are minimized.	Management accepted the finding and indicated that the revision of the Procurement Manual and compliance with the manual will be monitored by strengthened oversight. Mandatory procurement training will be prioritized as part of the implementation of the revised manual through a change management strategy.	The Supply Chain Division and the Supply Chain Unit at the Manila Administrative Centre are in the process of finalizing the IOM Procurement Manual Revision 3, after extensive consultations with key stakeholders at Headquarters and with the wider procurement network in IOM. The manual is scheduled for release in the fourth quarter of 2022. The Division is planning to hold a first training session with the top 10 offices and representatives from each region by the end of November 2022. Together with the Unit, it will roll out the manual to each region and continue to provide training until 2023, pending confirmation of additional funding.	September 2023

**ONGOING RECOMMENDATIONS (continued)**

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Planned date of completion
	S/30/CRP/1			
2017 INTERIM AUDIT Manila (17-IN-PH98-05)	We recommended that Management should review the chart of accounts to include account definitions that are descriptive and instructive of the actual financial transactions of IOM. Management should also consider embedding a maintenance framework/guideline into standard business processes to ensure relevance of the chart of account.	Management agreed with the recommendation and stated that it is a priority for the Accounting Division. It indicated that preliminary work started in 2017 and will continue as time and resources allow. Management added that the policy on CoA revision and guidance on GL usage to offices, will be addressed as first priority in the CoA review process and will incorporate emerging donor and management financial information needs (e.g. CBI, Implementing Partner transfers and many others) as well as the necessary restructuring of material codes related GLs to better serve the various information needs.	Based on information collected during brainstorming workshops with finance and administrative staff, other internal IOM stakeholders and Oracle, and from their review of relevant documents, PricewaterhouseCoopers has completed the initial deliverables and handed in a draft report incorporating the proposed design for the new chart of accounts and the conceptual analysis and design principles followed. The report is being reviewed by IOM and a follow-up workshop will be held in Autumn o provide feedback, resolve any open questions and discuss next steps.	October 2022
2017 COMPLIANCE AUDIT Beirut (20-CT-CH10-04 and 17-CO-LB10-01)	We urged Management to continue with its efforts in ensuring that the Country Office obtains an agreement with the government of Lebanon to enable the office to reinvest the savings from VAT exemptions into catering for migration needs.	Management explained that it was doing its best to finalize and sign an MoU with the Government as early as practicable. It indicated that the Office was working with the Ministry of Foreign Affairs, Ministry of Interior/General Security Department (GSD) and Office of the Prime Minister to draft the MOU and the response so far has been very positive but added that final approval was still under discussion.	IOM Lebanon organized a meeting between the Office of Legal Affairs and the Ministry of Foreign Affairs in Geneva on 5 May 2022, after which the Office and the Ministry agreed to a new draft. The Ministry has shared the draft with other relevant ministries and expects to receive feedback by the Autumn 2022.	December 2022
2016 CERTIFICATION AUDIT Geneva (16-CT-CH10-02)	Although a Statement of Internal Control is not required under IPSAS to be presented as part of the Financial Statements of the Organization, we recommended that the Organization should work towards the adoption of this best practice to issue a Statement on Internal Control as part of the financial reporting to provide assurance to all stakeholders that IOM is effectively managing and controlling the resources entrusted to it.	Management agreed with the usefulness of the Internal Control Statement as an emerging corporate governance tool and indicated that it will evaluate the feasibility of adopting such practice, giving due consideration to the time and additional resources needed for implementing the necessary certification procedures within IOM's decentralized structure without increased administrative burden on its lean central structure and existing high demands on field offices.	The requirements for the new ERP include "Workflow for digital (paperless) approvals of certain reporting packages/returns with clear audit trail (e.g. input for statement of internal control)" as part of the process for managing financial closing and reporting. In this regard, the ERP project is currently documenting the fit/gap with the Oracle solution.	December 2024

## ONGOING RECOMMENDATIONS (continued)

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Planned date of completion
	S/30/CRP/1			
2016 CERTIFICATION AUDIT Geneva (16-CT-CH10-11)	We recommended that Management should review IN/1 to strengthen policies and procedural coordination within the Organization. Management could also consider the establishment of a Policy Coordinating Unit to have close collaboration with technical members of departments to ensure that policy, normative and operational management are coordinated and aligned with IOM's mission and objectives.	Management concurred that it is essential to maintain an up to date, well organized, coordinated and complete series of policies, and that this is an important part of any well-managed and transparent organization. It indicated its commitment to explore specific approaches to improving the current regime, including reviewing the IN/1 and any structural solutions to help improve in this area.	In progress. A contract is about to be signed with the consultant to benchmark documents and conduct stakeholder consultations.	First quarter 2023
2015 CERTIFICATION AUDIT Geneva (15-CT-CH10-07)	The resolution of the problems faced in non-implementation of recommendations of internal audit may be addressed by the Management/Audit Advisory Committee so that corrective action envisaged under these recommendations could be taken.	OIG is reporting statistics on the Ongoing audit recommendations. The administration is following up to address the recommendations at all levels including by country offices, regional offices, the administrative centers, and Headquarters.	Opportunities for implementing further measures to strengthen management follow-up of audit recommendations are being explored under the IGF.	December 2022
2014 PERFORMANCE ICT AUDIT Geneva (14-PE-CH10-14)	ITC may ensure that confidentiality and integrity of organization-wide data is strengthened by adopting ISO 27001 certification and updating its backup system.	No funding has been approved for the IC Division to implement compliance with ISO 27001. Although the latest ICT Strategy (2017-2020) incorporates ISO 27001 certification as one of its objectives within the period. This objective is supported by defined action to be delivered by ICT between now and 2020.	No funding has been received to adopt ISO 27001.	To be determined

## IMPLEMENTED RECOMMENDATIONS

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Completed in
	S/30/CRP/1			
2021 CERTIFICATION AUDIT Geneva (21-CT-CH10-05)	We recommended that the Organization should find the required resource for the evaluation function and address the limited staff numbers to ensure the success of the new approach.	Management agreed with the recommendation and reiterated Administration's commitment to strengthen institutional performance and oversight functions. Management indicated that additional funding for Evaluation functions will be dependent and influenced by the outcome and results of the ongoing Budget Reform discussions.	Pursuant to SCPF Resolution No. 31 of 28 June 2022, on the core structure and the staggered approach to implementing the increase in the Administrative Part of the Budget over a period of five years, the Administration has projected increases in resources for the evaluation function as of the 2023 budget year. However, staggered implementation of budget increases also means staggered implementation of staffing increases across all areas identified as requiring strengthening in the context of the budget reform discussions. This notwithstanding, for the purposes of audit follow-up, the item is considered closed provided that the staffing increases reflected in the budget reform plans reflect the increases considered to be required by the audit.	September 2022
2021 COMPLIANCE AUDIT Brasilia (21-CO-BR10-02)	We recommended that Management should have a data backup storage at a safe location off premises (i.e., bank safe or fireproof safe in IOM's sub-office in the country) to allow for easy retrieval of backup media to minimize the incidence of complete loss of data and undue delay in system restoration.	Management explained that IOM Brazil is currently assessing the best option (bank, fireproof safe, etc.) to immediately secure storage of IOM Brazil data and added that IOM Brazil does not have a physical server and its data is stored in the cloud as instructed by ICT Global, thus allowing for recovery at any time.	A fireproof safe has been installed to store data backup at IOM's sub-office. The office's information assets are stored in the cloud, as instructed by IOM ICT Global.	September 2022

**IMPLEMENTED RECOMMENDATIONS (continued)**

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Completed in
	S/30/CRP/1			
2021 COMPLIANCE AUDIT Brasilia (21-CO-BR10-03)	We recommended that Management should ensure compliance with IOM procurement manual prescriptions as it provides a strategic approach to efficiently manage suppliers. We also encouraged regular vendor evaluations and adherence to IOM regulations, coupled with the deployment of the Vendor Information Sheet (VIS) to regularly update the database. We also recommended that management should consider the establishment of a Vendor Information file that complies with the minimum vendor information required by IN/168.	Management indicated that the Vendor Information Sheet will be now systematically done for new vendors and an individual vendor information file will be created. Management added that IOM at a global level is implementing the Vendor Information Sheet Online process, with which it will ensure the compliance and archiving of information related to the providers of IOM Brazil. Management further stated that IOM Brazil, in compliance with the procurement policy, will carry out periodic visits to the facilities of suppliers to observe the state of the facilities, stock levels, hygiene, to mitigate risk in compliance with IN/168.	The Vendor Information Sheet has been updated in the system and a Vendor Information file created. Visits to supplier facilities are taking place.	September 2022
2021 COMPLIANCE AUDIT Kinshasa (21-CO-CD10-01)	We recommended the recovery of the outstanding advances from the separated staff and the blocking of the separated staff in PRISM.	Management explained that the practice is that staff who had an outstanding balance is offset with the organization when all separation formalities are completed, and that the officers have credit balances which reduces the balance considerably to USD 9,800.	Management has offset the balances due after receiving the necessary documents from the Panama Administrative Centre.	August 2022
2021 COMPLIANCE AUDIT Kinshasa (21-CO-CD10-02)	We recommended that the CoM should closely monitor and follow up on the outstanding and undertake necessary housekeeping of the accounts to avert future recurrence.	Management stated that, it is a normal procedure for the organization to give advance to implementing partners or suppliers as per the contractual obligation cleared by relevant IOM HQ departments (Department of Legal Affairs and Finance and Accounting Division) and is cleared after the verification of their financial report.	In line with the relevant IOM rules and regulations, the Internet provider and suppliers are always given advances as per the contractual obligations.	August 2022

**IMPLEMENTED RECOMMENDATIONS (continued)**

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Completed in
	S/30/CRP/1			
2021 COMPLIANCE AUDIT Kinshasa (21-CO-CD10-03)	We recommended that the CoM and the Resource Manager should undertake reviews of these projects and monitor them to avoid low burn rates and budget overrun.	The Chief of Mission stated that of the projects have just ended or about to end and they are in the process of finalizing the expenses as per IOM regulations and rules, whilst others are being rolled over to the next phase.	The Chief of Mission holds regular meetings with the Resource Management Unit and programme managers to ensure that the office is on track to meet the targeted milestones. External factors that are beyond management control may still impact the project burn rate.	August 2022

**IMPLEMENTED RECOMMENDATIONS (continued)**

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Completed in
	S/30/CRP/1			
2021 COMPLIANCE AUDIT Mexico City (21-CO-MX10-01)	We recommended to management to consider the sustainability issues thoroughly and endeavour to identify new donors to finance activities of the Office so as to keep trained and experienced staff to support the needs of migrants.	Management explained that all staff know that the duration of their contracts depends on the duration of the projects and the HR unit generates quarterly, semi-annual and in few cases annual contracts, always depending on the financial availability of the projects. Management added that the Chief of Mission with her senior team are in constant search of new donors and funding for the sustainability of the Office.	The Chief of Mission and the senior management team have made considerable efforts to identify new sources of funding, so as to reduce dependence on a small number of donors and increase sustainability. During the past twelve months, several rounds of negotiations were held with the European Union representation in Mexico to develop a multi-year EUR 5 million inter-agency programme. Negotiations are in the final stages and IOM Mexico is awaiting approval from Brussels. In the past year, IOM Mexico has also received funding from a new donor, the United States Centers for Disease Control and Prevention, to implement health-related initiatives for migrants subject to the Migration Protection Protocols. Following meetings in Washington, DC with government counterparts at the Bureau of Population, Refugees and Migration, the Office to Monitor and Combat Trafficking in Persons (J/TIP), USAID and Congress, and the private sector, Mexico submitted a project proposal to J/TIP and is currently being considered for involvement in a regional USAID programme. After several meetings, the Canadian Embassy has requested two concept notes focused on labour migration for a total of CAD 3 million. Following meetings with the Ambassador of the Republic of Korea, a concept note focusing on migration, the environment and climate change is being developed. IOM Mexico is also establishing cooperation agreements with private sector counterparts to foster in-kind contributions and include them as co-funding in negotiations for new projects. Finally, it has hired extra staff for its Strategic and Planning Support Unit, in order to streamline fundraising, project development and the entirety of the project life cycle.	August 2022



**IMPLEMENTED RECOMMENDATIONS (continued)**

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Completed in
	S/30/CRP/1			
2021 COMPLIANCE AUDIT Mexico City (21-CO-MX10-02)	We recommended that management should speed up the process of approving the five-year Strategic Plan and formulate action plans for its effective and efficient implementation.	Management indicated that although a National Strategy document is not mandatory, IOM Mexico will finalize the draft through consultations with the federal government and will negotiate with the Regional Office to change the timeframe to 2022-2025.	IOM Mexico finalized its National Strategy 2022–2024, which is aligned with the IOM Strategy and the regional strategy for North America, Central America and the Caribbean. The draft strategy was shared with federal and state government authorities, United Nations agencies and civil society entities, and inputs received were included. The strategy is currently undergoing final review by the Regional Office and will be published on 5 September 2022.	August 2022
2021 COMPLIANCE AUDIT Mexico City (21-CO-MX10-03)	We recommended that, Management should ensure timely update of the procurement plan to reflect current information on the processing times and take proactive measures when planned schedules are not met. This could assist Management to ensure contingency planning and Management could be better prepared to address upcoming procurement requests.	Management accepted the recommendation and indicated that it will request from each Project Manager the periodic update of the procurement plans as the projects are executed for a more complete monitoring.	In order to obtain updated procurement plans, the Procurement Unit is monitoring each programme. All the plans should be available by September and will be updated quarterly.	August 2022
2021 COMPLIANCE AUDIT Mexico City (21-CO-MX10-04)	We recommended that management should continue to negotiate and dialogue with the Mexican Tax Authorities to grant them full tax exemption, such that there would not be the need for claiming refunds.	Management explained that during the Covid19 pandemic in early 2020, the Tax Authority as well as many public institutions remained closed, without reception of documents of taxpayers, so the process of VAT recovery was delayed, but from March 2021 the Office had access to request VAT recovery.	The Government of Mexico has granted IOM immunities and privileges with some limitations set out both in the Headquarters Agreement and in the 1947 Convention on Privileges and Immunities. A review of the Headquarters Agreement is being promoted in meetings with other United Nations agencies in a process being carried out by the Office of Legal Affairs at Headquarters. VAT claims are filed monthly and there are no delays.	August 2022

**IMPLEMENTED RECOMMENDATIONS (continued)**

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Completed in
	S/30/CRP/1			
2021 COMPLIANCE AUDIT Quito (21-CO-EC10-01)	We recommended to the Management to speed up its Projects implementation activities to ensure that all earmarked funds are effectively utilized within the projects durations to avert low burn rates.	Management attributed the lapse to the effects of COVID-19 pandemic, which affected the implementation of some of the projects and to other implementing agencies or consultancy firms with regard to preparatory times in their selection processes, contracting, and launching of activities, and the fact that a higher percentage of project implementation occurs as the project is coming to an end.	A team has been established for the operational and financial monthly or fortnightly monitoring of each project. The United States Bureau of Population, Refugees, and Migration COVID project was implemented within the agreed time frame. Although several project processes are executed in the last quarter, this is due to the pre-contractual and contractual processes, plus the time needed by suppliers to deliver goods and services.	June 2022
2021 COMPLIANCE AUDIT N'djamena (21-CO-TD10-01)	We recommended that management should conduct, and document exit interviews with departing staff and keep copies on their files to provide valuable information for use in the preparation of vacancy notices to promote staff retention and minimise the incidence of staff attrition.	Management accepted the recommendation for implementation.	The Panama Administrative Centre was contacted about the fact that separated staff were unable to open and complete the exit survey and about the absence of a French version. Since the technical problem persists, IOM Chad created its own, simple and straightforward survey. Staff members are thus able to express what they liked most about working with IOM and include any recommendations. The survey can be anonymous and has been shared with Management for reference and action, as needed.	September 2022
2021 COMPLIANCE AUDIT N'djamena (21-CO-TD10-02)	We recommended to Management to ensure that off-line back-ups are physically secured and stored at safe locations off-premises (i.e., bank safe, fireproof safe in IOM's sub-office in the country) to allow for easy retrieval of backup media to minimize the incidence of complete loss of data and undue delay in system restoration.	Management took note of the recommendation and indicated it is part of its ICT 2022 plan and will be completed by the first quarter of 2022. Management added that the Office will acquire tape drives and a fireproof safe that will be installed in one of the sub offices to store back up tapes drive and will emboss the media with the Office official inventory marks.	In the context of the server-free project being implemented by IOM Chad, there is no need for data backup because all the data are stored in the cloud. The file server has been migrated and the objective is to discontinue the use of servers.	September 2022

**IMPLEMENTED RECOMMENDATIONS (continued)**

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Completed in
	S/30/CRP/1			
2021 COMPLIANCE AUDIT N'djamena (21-CO-TD10-03)	We recommended that all asset management information fields prescribed should be promptly updated in the PRISM for effective monitoring.	Management took note of the recommendation and indicated that this was already being improved through on the job trainings, as well as the Standard Operating Procedure (SoP) developed for the asset focal points and for all Office staff to be aware of the value and necessity of such information being uploaded into PRISM. Management added that the Unit is in a better position with the support of a staff member who is currently brought on a short-term assignment to further support the Office in terms of asset management.	IOM Chad started a physical inventory of all assets in all locations in Chad in early August 2022, to be finalized by the end of September 2022. All the information requested should therefore be captured and entered in PRISM, as needed.	September 2022
2021 CERTIFICATION AUDIT Geneva (21-CT-CH10-04)	We recommended that the Organization should continue to involve OIG and its ancillary units to strengthen internal controls and enhance successful implementation of the initiatives to achieve the intended objectives of IOM.	Management agreed with the recommendation and stated that the Organization is committed to continue this implementation approach and to expand to OIG and its units' involvement in the IGF and Business Transformation related activities.	Liaison with the Office of the Inspector General is now routinely built into the IGF, as reflected in the IGF Governance Structure and Terms of Reference revised in July 2022.	July 2022

## IMPLEMENTED RECOMMENDATIONS (continued)

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Completed in
	S/30/CRP/1			
2020 CERTIFICATION AUDIT Geneva (20-CT-CH10-04)	We recommended that Management should continue to liaise with Member States for modest and realistic increases of the core funding structure in a manner which will ensure prudent allocation of resources to facilitate the Organization's effort of prioritization and efficiency enhancement.	Management agreed with this recommendation and stated that over the past years the Administration has highlighted the inherent risks of the funding model to the Member States and spearheaded the budget reform dialogue which is underway. Management added that the ongoing declining trends in the flexibility and predictability of the core budget in relation to total expenditure jeopardize the delivery of services and the enforcement of adequate levels of internal controls.	In SCPF Resolution No. 31 of 28 June 2022, IOM Member States approved a staggered approach to budget reform implementation, with increases to the Administrative Part of the Budget spread over five years. While this will increase the Administrative Part of the Budget by USD 12 million each year (resulting in a total increase by 2027 of USD 60 million), the Administration had requested an overall increase of USD 75 million. Discussions continue with Member States on possibilities for bridging this gap and options to fund needs at an earlier stage through unearmarked voluntary contributions. Thus, while full implementation of budget reform will take the next five years, this item is considered closed for the purposes of the audit follow-up, it being understood that the Administration will continue to engage with Member States on sustainable financing of the core structure. It should also be noted in that context that Member States have committed to discussing the policy of zero nominal growth in the Administrative Part of the Budget by 2025, to reviewing the Administrative Part of the Budget in 2027 and to consider further increases to the Administrative Part of the Budget so as to ensure that IOM has a sustainable financial model.	December 2022
2020 CERTIFICATION AUDIT Geneva (20-CT-CH10-02)	We recommended that Management should develop a formal counterparty credit risk exposure limit for unrated banks or financial institutions to guide offices in the management and monitoring of cash balances against allowable limits.	Management accepted the recommendation and stated that although the policy exists in practice, it is now fully written up, which will be included in an updated IN 209 (Central Treasury Policy) during 2021.	Counterparty risk is evaluated by Treasury and new tools have been added to provide live information. Unrated banks remain challenging to assess in terms of risk; the best mitigation measure is to keep bank balances below one month of coverage unless an office makes a special request.	December 2021

**IMPLEMENTED RECOMMENDATIONS (continued)**

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Completed in
	S/30/CRP/1			
2020 CERTIFICATION AUDIT Geneva (20-CT-CH10-03)	We recommended that Management should develop and document its risk management monitoring tool on the planned activities and adopt an updated standard reporting mechanism in line with the workplan structure to provide clarity in the coordination as well as the implementation. Management should also liaise with Member States to secure predictable funding through provision of unearmarked funding and extra budgetary resources initiatives.	Management explained that the Administration provides an “Update on the application of the Internal Governance Framework” at each SCPF and added that in view of the constraints on the length of SCPF documents, Administration is actively considering producing an additional, lengthier status report which would allow for more comprehensive updates on progress of Internal Governance Framework. Management agreed with the importance of successfully delivering change and has engaged an external consulting firm to support the development of an IGF change management strategy and plan, to be completed in Q2 2021.	A report on the application of the IGF Work Plan was shared with Member States in December 2021. The report outlines the progress made on each of the five IGF objectives as at August 2021 and the updated status of all IGF work items, including details of all completed work items. The report was also shared with staff members and was the subject of two global webinars in January 2022. Together with the Risk Management and other units, the IGF Unit, which is now part of the new Department of Strategic Planning and Organizational Performance, will continue to monitor and report on progress to Member States and work to secure the funding needed to complete the IGF Work Plan.	December 2021

**IMPLEMENTED RECOMMENDATIONS (continued)**

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Completed in
	S/30/CRP/1			
2020 CERTIFICATION AUDIT Geneva (20-CT-CH10-04)	We recommended that Management should continue to liaise with Member States for modest and realistic increases of the core funding structure in a manner which will ensure prudent allocation of resources to facilitate the Organization's effort of prioritization and efficiency enhancement.	Management agreed with this recommendation and stated that over the past years the Administration has highlighted the inherent risks of the funding model to the Member States and spearheaded the budget reform dialogue which is underway. Management added that the ongoing declining trends in the flexibility and predictability of the core budget in relation to total expenditure jeopardize the delivery of services and the enforcement of adequate levels of internal controls.	In SCPF Resolution No. 31 of 28 June 2022, IOM Member States approved a staggered approach to budget reform implementation, with increases to the Administrative Part of the Budget spread over five years. While this will increase the Administrative Part of the Budget by USD 12 million each year (resulting in a total increase by 2027 of USD 60 million), the Administration had requested an overall increase of USD 75 million. Discussions continue with Member States on possibilities for bridging this gap and options to fund needs at an earlier stage through unearmarked voluntary contributions. Thus, while full implementation of budget reform will take the next five years, this item is considered closed for the purposes of the audit follow-up, it being understood that the Administration will continue to engage with Member States on sustainable financing of the core structure. It should also be noted in that context that Member States have committed to discussing the policy of zero nominal growth in the Administrative Part of the Budget by 2025, to reviewing the Administrative Part of the Budget in 2027 and to consider further increases to the Administrative Part of the Budget so as to ensure that IOM has a sustainable financial model.	December 2022

**IMPLEMENTED RECOMMENDATIONS (continued)**

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Completed in
	S/30/CRP/1			
2020 COMPLIANCE AUDIT Bangui (20-CO-CF10-02)	We recommended that the BCP is updated to include the ICT component, finalized for use, and regularly updated to include simulation procedures with clear cut implementation strategies. We also recommended that the Office comply with all the requirements of IN/88 by conducting yearly simulation drills for the ICT component of the BCP with a view to ensuring that the recovery functions are effective and working properly.	Management took note of the recommendation indicated that the BCP was updated in March 2020, but the previous version which dated back to 2015/2016 was considered not applicable due to revised context.	The office will further update the BCP by December 2022, in coordination with the Field Security Officer.	June 2022
2020 COMPLIANCE AUDIT Bangui (20-CO-CF10-03)	We recommended that Management should have a data backup storage at a safe location off IOM-premises (i.e. bank safe or fireproof safe in IOM's sub-office in the country) to allow for easy retrieval of backup media to avoid the risk of complete loss of data and undue delay in system restoration.	Management took note of our recommendation and stated that it will assess resources and feasibility. Management added that the office is currently provided with a physical archive, in a dedicated room, to comply with statutory requirement of physical conservation of documents, for audit purposes, up to 7 years from project end date. Fire extinguishers are available in the room and access is restricted to few users, in finance department. Safes are only dedicated to cash and values.	The office maintains a physical archive at its new premises and has undertaken a massive scanning project to comply with the internal e-filing instructions.	December 2021
2020 COMPLIANCE AUDIT Bangui (20-CO-CF10-05)	We recommended to Management to strengthen its supervision on projects and ensure that factors under their control that hinder the smooth implementation of projects are eliminated or brought to the barest minimum to allow for speedy project implementation.	Management agreed with the finding and indicated that the Office went through significant turnover in key staff positions in management roles. Unfortunately, this has challenged an efficient follow up, while replacement of outgoing staff was delayed by travel restrictions due to ongoing Covid19 pandemic.	The terms of reference for project managers have been revised and the management responsibilities related to each project clarified. Communication is ongoing within the Resource Management Unit and the programme, and a regular coordination mechanism has been set up with field offices and operations, to strengthen awareness of project progress, challenges and needs. A programme support officer is being recruited to support project managers with internal monitoring and reporting tasks.	January 2022

**IMPLEMENTED RECOMMENDATIONS (continued)**

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Completed in
	S/30/CRP/1			
2020 COMPLIANCE AUDIT Bangui (20-CO-CF10-06)	We recommended that Management should ensure compliance with provisions of the IOM Procurement Manual as it provides a strategic approach to efficiently manage suppliers with benefits which include, risk mitigation, performance optimization, cost reduction, creation of loyal relationships, increased administrative efficiencies, protection of purchasers brand, amongst others. We also recommended regular vendor evaluations, adherence to IOM regulations and the deployment of the Vendor Information System to regularly update the database.	Management to note of the recommendation and stated that all procurement transactions were coordinated with their central office for Procurement and Supply and the Legal Department, depending on the process. Management agreed with the for a structured and documented reports following visits to vendors premises and facilities and added that the Office will liaise with central offices to strengthen capacity to assess and formalize information on this aspect.	The office is following internal instructions on vendor management, including roll-out of the platform for vendor management and evaluation. This important tool also helps the office track and document the performance of most relevant vendors. In connection with common services in particular, in 2021 the office reviewed the main contracts in use and made a comparative analysis based on quality of service and costs, in order inter alia to reassess needs. For example, the Internet service provider was changed after a performance review of Internet services covering all field offices. The office participates in the country business operations strategy, which is reviewing several long-term agreements, and has requested a performance review and evaluation of vendors shared by several agencies. Such shared evaluations and the templates agreed as a result also help mitigate risk and increase administrative efficiency.	March 2022
2020 COMPLIANCE AUDIT Baghdad (20-CO-IQ10-01)	We recommended that Management should update the CCSA and ensure that significant control actions are appropriately assigned with delivery dates and monitored for compliance.	Management indicated that a control mechanism is maintained within the Office to identify and mitigate risks but acknowledged the importance of updating the CCSA on yearly basis as a compliance control.	The Compliance Control Self-assessment Tool has been updated.	October 2021
2020 COMPLIANCE AUDIT Islamabad (20-CO-PK10-01)	We recommended that Management should ensure timely development of the Office's strategy or action plan in alignment to the Regional strategy, using results-based management as a planning, reporting and evaluation tool.	Management accepted the recommendation for implementation.	The draft strategy (2021–2024) was finalized in February 2022.	February 2022



**IMPLEMENTED RECOMMENDATIONS (continued)**

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Completed in
	S/30/CRP/1			
2020 COMPLIANCE AUDIT Juba (20-CO-SS10-01)	We recommended that Management should re-strategize and harness the expertise of the project managers to come up with projects that can secure funding to enhance sustainability of the Country Office in the contest of projectization.	Management indicated that despite the relatively fewer Development Projects, there are enough Humanitarian Projects to ensure the sustainability of the Office.	The revised organizational structure of IOM South Sudan was introduced in January 2022. Some of the office's key achievements in the first quarter are as follows:  (a) approval of the USD 110 million multi-year project with the World Bank;  (b) elected for the second year as a member of the South Sudan Humanitarian Fund Advisory Board;  (c) appointment as Humanitarian Task Leader for Bentiu Flooding Mitigation and Response by the Humanitarian Coordinator.	December 2021
2020 COMPLIANCE AUDIT Niamey (20-CO-NE10-01)	We recommended that Management should expedite action in filling the available vacancies for efficient execution of projects.	Management stated that recruitment process is at different stages and hope to get the qualified personnel to fill the declared vacancies. It added that for the G6 and P1 positions, records have been sent to Panama Administrative Center Advisory Service for clearance, whilst the Office awaits expecting approval for Grade Transfer of a staff member from Head of Programmes P4 to Senior Community Stabilization Coordinator P4 position from DG's office.	All recommendations are fully implemented.	December 2021
2020 COMPLIANCE AUDIT Niamey (20-CO-NE10-02)	We recommended that Management of the Office should ensure timely retirement of advances by staff in compliance with the PRISM HR operation procedures.	Management indicated that advances regarding Education Grant is managed/cleared by MHRO once the staff member submits the final EG claim and generally it takes over one year to clear. Whereas those related to operational advance for activities are still ongoing and partial clearing is being done when documents for verification is submitted for settlement. Management added that the Office is sending reminders to PM/HR colleagues to contact with staff for submission of documents, whilst Medical Advance will be cleared upon clearance from HCPU, Manila.	The SOPs have been finalized and became operational on 14 April 2022.	December 2021

**IMPLEMENTED RECOMMENDATIONS (continued)**

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Completed in
	S/30/CRP/1			
2020 COMPLIANCE AUDIT Kabul (20-CO-AF10-01)	We recommended that Management should liaise with the Office of Legal Affairs (LEG) at IOM Headquarters with the view to resolve these challenges to enable IOM Afghanistan enjoy equal rights and privileges as their counterparts in the UN Family.	Management explained that the revised Cooperation Agreement was initiated in July 2019, and the process which is under coordination with the office of Legal Department is at an advanced stage. Management emphasized that the process has taken longer as it is not easy to finalize the magnitude of such agreement considering the current political environment in Afghanistan.	Owing to the change in government, progress on the memorandum of understanding has stalled and implementation of this finding has become difficult to assess. In the circumstances, management considers this recommendation to be closed.	December 2021
2020 COMPLIANCE AUDIT Kabul (20-CO-AF10-03)	We recommended that the Office should liaise with Manila and Headquarter to assist in addressing the training needs of staff of the Office.	Agreeing with the observation, Management added that the Office opted for online training webinars in coordination with PAC, MAC & HQ, as sending IOM Afghanistan staff to trainings outside the Office comes with huge costs and visa implications. Management indicated that a limited number of staff have benefitted and the modality has been effective as it is done in the offices during working hours, where stability of Internet is guaranteed.	Capacity-building is a top priority and funds have been allocated accordingly for 2022 and 2023. While staff members are encouraged to do online training, the focus has been on bringing experts from the Regional Office/Headquarters or other offices to conduct face-to-face group learning activities that will benefit more than one staff member. As part of the long-term plan, project managers were requested to share their training needs for late 2022 and 2023. The office will come up with three to five learning priorities by the end of September 2022 and share them with the Regional Office and the Staff Development and Learning Unit. Training in PRIMA and project development and management has been identified as a priority, coupled with soft skills such as managing a team during a crisis or in a complex environment and language skills. In addition, USD 500 have been allocated per staff member to support individual learning needs, to be granted when the staff member submits a request in consultation with the supervisor and in line with his/her post description and the Staff Evaluation System. The plan is to support at least 15 individual in-country training sessions (mainly for national staff) by December 2023.	June 2022

**IMPLEMENTED RECOMMENDATIONS (continued)**

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Completed in
	S/30/CRP/1			
2018 CERTIFICATION AUDIT Geneva (18-CT-CH10-01)	We urged Management to enhance internal communication among various offices and units and introduce standard operating procedures for deactivating vendors whose actions have been duly investigated and concluded by the Organization to be non-compliant.	Management agreed with the recommendation and confirms that the currently decentralized process for blocking vendors in PRISM will be reviewed, as part of the planned comprehensive process review of vendor management. This review will inform the development of a comprehensive SOP for blocking vendor and will further clarify the roles and responsibilities of IOM offices and central units within this process.	The vendor clean-up and review procedures initiated at the end of February will cover mass blocking of vendors that have been inactive for 24 months, those with matches to sanctions lists and duplicate vendors.	February 2022
2018 CERTIFICATION AUDIT Geneva (18-CT-CH10-02)	We recommended that Management should introduce comprehensive policy coordination and supporting procedures to facilitate coordination among all the shared services with regards to vendor master data management. Furthermore, IOM shall establish control mechanisms systematically reviewing the vendor master data to correct incomplete data fields, particularly in relation to information about vendors' names, contact address and bank accounts. The Organization's Vendor Information Sheet (VIS) should also provide information to vendors about the need to limit the payment methods to reduce risks.	Management agreed with the recommendation and stated that it will assess the options available to automate related control mechanisms both for centrally and for locally maintained vendor accounts.	Phase I of the vendor management system was launched on 6 December 2021, with the release of the new vendor tools for search, creation, editing and blocking. The system has mechanisms to check for completeness, review vendors against sanctions and enable workflow approvals. Guidelines have also been released and will be embedded in the apps themselves. Management worked with the Treasury Division to streamline payment methods and enhance the input of bank information, including bank keys. The Vendor Information Sheet has been revised to reflect the new architecture and now also includes the Supplier Code of Conduct in Sheet 2. Further enhancements are to be made to the Vendor Master Record display, with clean-up procedures to start by the end of September 10.	February 2022
2018 CERTIFICATION AUDIT Geneva (18-CT-CH10-08)	We urged Management to strengthen the ICT governance process, especially, in terms of management of business owners' initiatives on ICT solutions, using an enterprise-wide approach in achieving value across the Organization.	Management agreed with the recommendation and stated that they will provide an action plan by towards end 2019.	The ICT Governance Board is fully functional and held its first meeting in March 2022.	March 2022

**IMPLEMENTED RECOMMENDATIONS (continued)**

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Completed in
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2018 PERFORMANCE AUDIT Geneva (18-PE-CH10-03)	We therefore recommended that Management should: establish a review committee to ensure that vendor information is reviewed and updated constantly; assess institutional supply chain system solution enabling automatization of transactions; and the functionalities of PRISM should be expanded to include modules with functions sufficient for the entire procurement supply value chain management.	Management accepted the finding and indicated that the vendor management process will be reviewed to inform the development of comprehensive guidelines. An assessment of institutional supply chain system solution enabling automatization of transactions and using direct interface with PRISM will be part of the broader Procurement and Supply Chain Management reforms.	The following enhancements have been rolled out: purchase orders and contracting (purchase orders for services, internal orders, etc.); online procurement app; vendor management system (new architecture, search, creation, editing, blocking tools); e-filing for supply chain management; procurement compliance review procedures revised. The clean-up procedures had started by the end of February 2022.	March 2022
2018 PERFORMANCE AUDIT Geneva (18-PE-CH10-05)	We therefore recommended that Management should implement authorization of procurement and payment process-flows in PRISM using technology to leverage human time for efficiency of processing payments. Also, clear guidelines for specification and TORs with the new Procurement Manual.	Management accepted the finding and indicated that the automation of authorization of procurement and payment process-flows will be assessed and implemented as part of broader Procurement and Supply Chain Management reforms. Enhanced guidelines for specification and TORs will be provided.	Workflow approvals are included in all digital tools released, which aligns with the delegation of authority for every office, including, but not limited to, the online procurement app, the vendor management system (creation, editing, blocking, unblocking) and purchase orders. The workflow is set up by each office based on the delegation of authority signed by the Chief of Mission, and approval, rejection and related comments are stored in the applications as well.	January 2022

**IMPLEMENTED RECOMMENDATIONS (continued)**

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Completed in
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2017 CERTIFICATION AUDIT Geneva (17-CT-CH10-02)	We recommended that Management should develop a comprehensive anti-fraud manual that responds to its operational and administrative environment, taking advantage of lessons learned and best practices developed in the course of preventing, detecting, investigating and sanctioning fraud that have occurred.	The Office of the Inspector General agreed with the finding and recommendation to update and consolidate the existing fragmented instructions into a comprehensive manual that addresses the full spectrum of fraud prevention and control strategies. It added that the Internal Audit function has produced a draft manual that will address most of the prevention, detection and monitoring strategies and that a manual for investigation that will outline various elements addressing protocols related to fraud response will also be produced.	Further to previous updates, the Office's Internal Audit unit finalized its strategy document, which was reviewed by the Audit and Oversight Advisory Committee. Most audits conducted in 2021 tackled significant systemic areas through Headquarters dedicated audit assignments. In 2022, the annual audit workplan will be pilot tested a more agile protocol approach, focusing more on the detailed review of programme/projects. Internal Audit is also fully supporting ongoing IGF initiatives that touch on several areas identified in the external audit recommendation. The recommendation is considered implemented and will be monitored through IGF activities and initiatives, and through the new ERP process.	December 2021
2017 CERTIFICATION AUDIT Geneva (17-CT-CH10-09)	Due to the capital outlay needed to reengineer/overhaul SAP implementation, we recommended that Management should perform a user assessment survey of the system application and develop a business case or a sustainability plan, including funding requirements, for the consideration of MS before the year 2025.	Management agreed with the recommendation and indicated that actions are under way to achieve the target of replacing SAP before 2025. It added that ICT has started the initial discussion at DRM level to prepare for the replacement of SAP and that this will be tabled during 2018 IT Advisory Board meeting and will be included in the budget review process.	A business case was conducted May 2019 and a final decision reached to have a new ERP system in January 2020. This activity is considered closed because it has been absorbed into the greater Business Transformation initiative under the IGF, including a complete rebuild of the system with Oracle instead of SAP.	December 2020

**IMPLEMENTED RECOMMENDATIONS (continued)**

IOM tracking number	Recommendation	Management response	Subsequent action taken (as at September 2022)	Completed in
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2015 PERFORMANCE AUDIT Geneva (15-PE-CH10-15)	IOM may explore inclusion of policy provisions specific to staff with disabilities as part of efforts to create a diverse and inclusive work environment.	A new Diversity and Inclusion Officer position was approved in the 2017 budget (under recruitment currently) and a Staff Welfare Position has been established in 2016. These positions will be tasked to promote inclusion of staff members with disabilities.	IOM took part in United Nations-wide discussions that led to the launch of the United Nations Disability Inclusion Strategy in 2019. Since then, IOM reports annually on the Strategy's implementation in terms of its 16 indicators and commits to annual actions for improvement in each area. In terms of employment of persons with disabilities, IOM has participated in career fairs for such persons since 2019 (at least one per year); organized training for IOM employees regarding disability etiquette; created a toolkit on disability inclusion that was launched with the Ombudsperson's Office in 2020; made available training on disability inclusion on the internal learning platform; and created an internal network for employees with disabilities and allies in 2020. Since 2018, reasonable accommodations for employees with disabilities have been offered to employees who request them. In 2021, an external consultant produced a draft policy on accommodation and accessibility guidelines for recruitment, communication and events. Global all-staff events on disability inclusion take place every year to mark the International Day of Persons with Disabilities, with a communication strategy and the involvement of employees with disabilities and of senior management. Since 2022, disability inclusion is part of the portfolio of the new Gender and Diversity Unit, which reports to the Deputy Director General for Management and Reform.	December 2021