

STANDING COMMITTEE ON PROGRAMMES AND FINANCE

Thirty-fifth Session

REPORT OF THE STANDING COMMITTEE ON PROGRAMMES AND FINANCE ON THE THIRTY-FIFTH SESSION

Geneva 4 and 5 November 2024 Rapporteur: Mr S. Bachtobji (Tunisia)

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Abbreviations

ILO International Labour Organization

JIU Joint Inspection Unit

MOPAN Multilateral Organisation Performance Assessment Network

OSI Operational Support Income

PSEAH Prevention of sexual exploitation and abuse and sexual harassment

UNHCR Office of the United Nations High Commissioner for Refugees

REPORT OF THE STANDING COMMITTEE ON PROGRAMMES AND FINANCE ON THE THIRTY-FIFTH SESSION

Introduction

- 1. The Standing Committee on Programmes and Finance met for its Thirty-fifth Session at the Centre International de Conférences Genève on 4 and 5 November 2024. The session was chaired by Ms K. Stasch (Germany) and Mr S. Bachtobji (Tunisia). Three meetings were held in a hybrid format, with some participants following the proceedings online.
- 2. The following Member States were represented:¹

Albania Cyprus Latvia Rwanda Algeria Czechia Lesotho Serbia Denmark Sierra Leone Argentina Libya Armenia Djibouti Lithuania Slovakia Australia Ecuador Slovenia Luxembourg Austria Egypt Madagascar South Africa Azerbaijan El Salvador Malawi South Sudan Bangladesh Estonia Mali Spain **Barbados** Ethiopia Malta Sri Lanka **Belarus** Mauritania Sudan Fiji **Finland** Belgium Mexico Sweden Bolivia (Plurinational Switzerland France Montenegro State of) Gambia Morocco **Tajikistan** Botswana Georgia Mozambique Thailand Brazil Germany Namibia Togo Bulgaria Tunisia Ghana Nepal Burkina Faso Greece Netherlands (Kingdom Türkiye Burundi Guinea of the) Ukraine Cabo Verde **United Kingdom** Haiti Nicaragua Cambodia Holy See Niger United Republic of Cameroon **Honduras** Nigeria Tanzania Canada North Macedonia **United States of** Hungary Central African Republic India Norway America Chad Iran (Islamic Republic of) **Pakistan** Uruguay Chile Ireland Panama Vanuatu China Israel Peru Venezuela (Bolivarian Colombia Italy **Philippines** Republic of) **Poland** Congo Jamaica Viet Nam Costa Rica Japan **Portugal** Yemen Côte d'Ivoire Jordan Republic of Korea Zambia Croatia Kazakhstan Romania Zimbabwe Russian Federation Cuba Kenya

¹ The list of participants is contained in document S/35/16. Unless otherwise indicated, all documents and slide presentations are available on <u>the Standing Committee</u> section of the IOM website.

Opening of the session and credentials

- 3. The Chairperson declared the Thirty-fifth Session of the Standing Committee on Programmes and Finance open on Monday, 4 November 2024, at 10.10 a.m.
- 4. The Standing Committee took note of the Chairperson's confirmation that all credentials were in order.
- 5. The Member States agreed to a request made by the Permanent Delegation of the European Union and the Permanent Representative of Hungary, on behalf of the European Union rotating presidency, for representatives of the European Union to participate as experts.
- 6. The Chairperson paid tribute to the late Ambassador of Peru, Ms Ana Cecilia Gervasi Díaz, who had passed away unexpectedly in September 2024.

Adoption of the agenda

7. The provisional agenda contained in document S/35/1/Rev.1 was adopted by the Standing Committee and subsequently issued as document S/35/15.

Status report on outstanding contributions to the Administrative Part of the Budget and Member State voting rights

- 8. The Administration introduced the document entitled Status report on outstanding contributions to the Administrative Part of the Budget and Member State voting rights (as at 30 September 2024) (C/115/4/Rev.1). The total outstanding assessed contributions for 2023 and previous years and the assessed contributions still to be paid for 2024 amounted to CHF 38.1 million. Since 30 September 2024, payments had been received from Algeria, Mali, the Kingdom of the Netherlands, the Republic of Korea and Thailand. Of the 18 Member States that were still subject to Article 4, 11 maintained their voting rights and 7 had lost the right to vote. Five Member States in arrears had negotiated and were following a payment plan. One of those Member States had not fulfilled its obligations and therefore had not regained its voting rights.
- 9. The Standing Committee took note of the contents of document C/115/4/Rev.1 and the additional information provided by the Administration; it also urged Member States in arrears to pay their contributions in full or, in consultation with the Administration, to agree to a payment plan and fully respect the payment conditions.

Presentation by the Director General

- 10. The Director General, welcoming participants to the Standing Committee's Thirty-fifth Session, delivered the statement contained in extenso in document S/35/13. Her presentation also covered document S/35/INF/1, on the application of the Internal Governance Framework, and document S/35/7, which provided an update on risk management.
- 11. In the ensuing discussion, IOM's efforts to enhance efficiency, accountability, transparency, oversight and risk management and achieve gender equality were widely praised. Several speakers expressed support for the Organization's future membership of the JIU and for the proposed timeline. The strides made in implementing the Internal Governance Framework were commended, with two representatives looking forward to the roll-out of the new enterprise resource planning system and several representatives welcoming the next set of reforms to address the 2023 MOPAN

recommendations and strengthen core functions. One representative stressed the importance of adhering to universally agreed terminology and concepts for the smooth implementation of IOM's mandate.

- 12. Calling for a more prominent evaluation function, one representative said that an item on evaluation should be included on governing body agendas as was standard within the United Nations system and that the IOM Strategic Plan 2024–2028, the Strategic Results Framework and the Internal Governance Framework should be evaluated in due course. The same representative expressed regret at the less frequent reporting on the Internal Governance Framework and requested the Administration to provide further details, including financial implications, regarding the next set of internal reforms and to consider how the United Nations' UN 2.0 vision could be applied to IOM. One representative requested more information on the development of the Donor Accountability Action Plan 2024–2027.
- 13. IOM was also urged to enhance procurement processes and to fund key ethics and protection positions through core funding. Increased multi-year flexible funding was crucial for IOM to bolster its core functions and remain agile. Member States that had contributed flexible and unearmarked funding were commended, and others were encouraged to follow suit.
- 14. The focus on risk management, including the establishment of the Institutional Risk Division and regional risk and compliance officer positions, and the strengthening of anti-fraud policy and controls, was applauded. One representative called for better country-level infrastructure for effective risk management and emphasized the importance of training for all IOM staff and consultants on the forthcoming anti-fraud and anti-corruption policy, and for external stakeholders on their risk management roles and responsibilities. Another representative recommended that future programme and budget documents include detailed input from the Institutional Risk Division.
- 15. Emphasis was placed on ensuring safe, orderly and regular migration through a multilateral, whole-of-route approach that addressed the challenges of mixed migration, tackled the root causes of human mobility, prioritized migrant protection and supported the rights and well-being of both migrants and host communities. The mainstreaming of gender and human rights in migration management and all IOM programming, along with investment in early action and resilience, was also highlighted. Several speakers underlined the need to tackle the politicization of migration, especially in countries with an ageing demographic or skills or labour shortages. Positive narratives coupled with skills-based mobility programmes, circular migration agreements and safe legal routes were essential, but more must be done to address brain drain in countries of origin.
- 16. There was broad support for the draft regional strategies for 2025–2029, which would enable context-appropriate approaches. The representative of a regional group encouraged balance between the creation of legal pathways and other aspects of migration policy including pre-departure, return, readmission and reintegration, border management and anti-smuggling, integration into labour markets and society, and diaspora involvement while another called on IOM to continue addressing geographical underrepresentation.
- 17. The Organization was commended on prioritizing climate-driven migration and displacement, with one representative highlighting the potential role of the Loss and Damage Fund in that work. Integrated, cross-cutting climate action and continued collaboration were vital, and the focus on adaptation, mitigation, preparedness, resilience and disaster risk reduction in the draft regional strategies and the Programme and Budget for 2025 was appreciated.
- 18. IOM was encouraged to further strengthen its collaboration with other United Nations agencies, in particular UNHCR, with a representative of one regional group urging it to expand its

partnerships with Goodwill Ambassadors and the private sector to boost visibility and generate awareness. It was also essential to avoid duplication of work and to promote development with a view to decreasing reliance on humanitarian aid for durable solutions to displacement.

- 19. Several representatives, including one speaking on behalf of a regional group, called for humanitarian assistance for forcibly displaced persons in Lebanon, the Sudan and Gaza, and for financial and logistical IOM support for host communities to be increased. The displacement crises in the Middle East, Africa and Asia were deeply rooted in longstanding conflicts, necessitating durable political solutions that addressed the root causes of displacement.
- 20. Responding to points and questions raised, the Director General thanked Member States for their indispensable support in enabling IOM to identify and respond to risks and current and future needs. A regional approach was essential to ensure tailored action on the ground. As part of that work, geographical representation would be further improved for more effective delivery. Investment, as well as political will, was essential in those endeavours. The acknowledgement of the vital importance of flexible funding was therefore appreciated. She commended those Member States playing a major role in hosting migrants and refugees; IOM would continue to provide them with capacity-building and technical support.
- 21. IOM strove to achieve alignment with standard practice across the United Nations system, to ensure accountability, independence, oversight and transparency. The Organization was already implementing relevant JIU recommendations and was creating additional decentralized governance capacity. It would continue to consult with Member States and donors on the matter.
- 22. IOM would present its bold and proactive vision on climate change at the twenty-ninth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change. The Organization must play a more strategic, focused role in addressing climate-induced displacement by anticipating and not just responding to events. Adaptation measures and capacity-building in affected States were essential, and IOM was working with the World Meteorological Organization to support data-driven anticipatory action.
- 23. Balanced, evidence-based migration policies were essential to address negative narratives. Well-managed migration led to better development outcomes and could enhance economic growth in sending or receiving countries. Innovative partnerships, like those implemented in Germany, Italy and Spain, were crucial in that regard.
- 24. Speakers' recognition of IOM's critical work with Goodwill Ambassadors and the private sector was welcome. The Organization continued to collaborate with UNHCR and had recently signed an agreement with the United Nations Office on Drugs and Crime to address human trafficking. It hoped to develop strong partnerships with the ILO on preventing migrant exploitation and with the United Nations Development Programme on improving development outcomes in countries of origin.
- 25. The Standing Committee took note of the presentation of the Director General, documents S/35/INF/1 and S/35/7 and the comments made by Member States, the Administration and the Director General.

Summary update on the Programme and Budget for 2024

26. The Standing Committee had before it a document entitled Summary update on the Programme and Budget for 2024 (C/115/8) for consideration, to be read in conjunction with the Programme and Budget for 2024 (C/114/6) and the Revision of the Programme and Budget for 2024 (S/34/6).

- 27. In her introductory remarks, the Deputy Director General for Management and Reform said that the Programme and Budget for 2024 had been approved with the aim of addressing immediate and emerging migration challenges. IOM continued to respond to an increasing demand for its work, and the Operational Part of the Budget had increased thanks to additional funding received for projects in several different areas.
- 28. The Administration outlined the IOM budget process, noting that, while the Summary update on the Programme and Budget for 2024 was based on confirmed funding, it was possible that additional funding would be received before the end of the year. The Operational Part of the Budget had increased from USD 2.7 billion to USD 3.6 billion. The core funding of the Organization, which included assessed contributions and Operational Support Income (OSI), remained unchanged.
- 29. The representative of one Member State, speaking on behalf of a regional group, submitted a statement in support of the Summary update on the Programme and Budget for 2024.
- 30. The Standing Committee recommended that the Council take note of the Summary update on the Programme and Budget for 2024 (C/115/8).

Programme and Budget for 2025

- 31. In her introductory remarks, the Deputy Director General for Management and Reform said that the Programme and Budget for 2025 was built on lessons learned and an assessment of the unprecedented challenges posed to migrant populations by the current global context, demanding a proactive and resilient approach. IOM remained committed to its role as an agile organization at the cutting edge of humanitarian response, development and peacebuilding efforts. Its management priorities for 2025 included reinforcing accountability and oversight, strengthening its workforce, building strategic partnerships and standardizing regional support. Notable progress had been made in budget reform under Standing Committee on Programmes and Finance Resolution No. 31 of 28 June 2022. Securing unearmarked or softly earmarked funding remained an essential element in the process of further strengthening the Organization's core structure. Member States were also urged to support the Migration Emergency Funding Mechanism. The Administration would continue its efforts to ensure transparency, accountability and effectiveness in delivering the Organization's mandate.
- 32. The Administration gave a slide presentation highlighting the key points set out in the document entitled Programme and Budget for 2025 (C/115/7). In 2025, IOM would enter the third year of its budget reform implementation process. The Organization continued to expand rapidly, with expenditures in 2025 conservatively projected to reach USD 4 billion, a twofold increase since 2019. The strain such a pace of growth placed on management and oversight functions called for continued vigilance in maintaining robust support structures.
- 33. In the Programme and Budget for 2025, resources had been allocated in line with the Director General's priorities within the IOM Strategic Plan 2024–2028. The Administrative Part of the Budget totalled CHF 88.9 million, an increase of CHF 11.7 million compared with the revised 2024 budget, in line with the continued implementation of Standing Committee Resolution No. 31. The Operational Part of the Budget was based on confirmed funding and was estimated at USD 2.2 billion, which was approximately USD 346.1 million more than at the same point in 2024. The OSI budget level projected for 2025 was USD 273 million, an increase of USD 53 million compared with the revised 2024 budget that was partially explained by the continued expansion expected in IOM's implemented project portfolio in 2025 and by the higher level of interest income forecast.

- 34. The increase in the total core budget amounted to USD 65 million. In 2025, after the third budget reform increase had been applied, 25 per cent of the Organization's core structure would be funded from the Administrative Part of the Budget, with the remaining 75 per cent funded from OSI. The projected OSI level was prudent but would need close monitoring, as a sudden decline in project levels would have a significant impact.
- 35. Member States welcomed the Programme and Budget for 2025 and the objectives and priorities set out therein, especially the focus on a results-based approach, data and analysis, strengthening the Organization's core structure and regional presence, and integrating risk management into IOM activities. The increase in the Operational Part of the Budget reflected the growing needs and challenges facing the Organization and would enhance its ability to respond in a robust, agile manner to meet the needs of even more individuals. Appreciation was expressed to those who had made unearmarked contributions to the Organization's budget, thereby ensuring greater flexibility, and to IOM staff for their tireless efforts to save lives and support people on the move.
- 36. Conflict, insecurity and natural disasters were contributing to an unprecedented increase in migration. Member States commended the Organization for assisting countries affected by conflict; several speakers noted that the situation in the Sudan had given rise to the largest displacement crisis witnessed in recent years and encouraged IOM to increase its support there. The challenges posed by human mobility and displacement in the context of climate change, environmental degradation and natural disasters gave cause for concern. The need for a holistic, human-centred approach encompassing preparedness, disaster risk reduction and adaptation, as well as relocation, and for adequate resources to support such efforts, was highlighted. One representative said that, notwithstanding the manifold challenges it faced, the Administration should strive for further efficiencies and economies in programme delivery.
- 37. Regular migration pathways, founded on ethical recruitment practices and protection for the rights of migrant workers, could serve as an avenue for sustainable development in both sending and receiving countries. Various speakers welcomed the Organization's efforts to promote capacity-building and facilitate legal labour mobility to address labour market gaps, while emphasizing the importance of exploring avenues to tackle brain drain and mitigate its impact on countries of origin. One representative, speaking on behalf of a regional group of Member States, emphasized the importance of taking regionally and nationally identified priorities into account in programming activities within their region. Another speaker highlighted the need to allocate adequate resources to facilitating the reintegration of voluntary returnees, while a third, welcoming IOM's engagement in discussions on new solutions to reduce irregular, unsafe migration, emphasized the importance of strengthening synergies between development assistance policy and migration policy. A well-functioning return system was important in maintaining the credibility and efficiency of migration systems as a whole.
- 38. In the context of the Organization's ongoing structural reform, support was expressed for efforts to strengthen the core structure, both at Headquarters and in the regions, through increased allocations to regional, subregional and country offices, though the small proportion of the total budget allocated to the core structure was a matter of concern to some. One Member State representative said that discussions on the policy of zero nominal growth in the Administrative Part of the Budget would be crucial in ensuring a sustainable financial model for the Organization. She particularly welcomed the decision to strengthen and decentralize internal oversight and accountability functions, which was especially important for country offices in high-risk environments. The representative of one Member State, speaking on behalf of a regional group, cautioned against creating additional units in the Headquarters structure at the expense of increased staffing in the field, where the majority of the Organization's work took place. The allocations from the Administrative Part of the Budget to Headquarters and the field offices suggested that the Organization risked becoming

"top heavy". Given the importance of the regional offices in ensuring delivery of IOM's mandate, updates on the comprehensive review process for regional offices and the challenges faced would be welcome. One speaker highlighted the need for the Organization to continue working to ensure that it employed staff from as many Member States as possible, especially as staff numbers grew. Others urged the Organization to further strengthen its capacity and increase resource allocations in the area of ethics and PSEAH so as to foster a "speak-up" culture and ensure appropriate follow-up and investigation, both at Headquarters and in the field.

- 39. Several representatives recalled the requirement set out in Standing Committee Resolution No. 31 for an organizational efficiency report on the progress of budget reform implementation, with specific proposals to enhance oversight, transparency, cost-effectiveness and Member State ownership of programme priorities. One speaker, urging the Administration to maintain its detailed approach when transitioning to results-based budgeting, requested disclosure of the total costs of the Business Transformation initiative and sought further details on the inflation data underpinning the Programme and Budget for 2025 and the associated cost-of-living adjustments. Future programme and budget documents should include a clear articulation of risk management strategies. Another welcomed efforts to modernize internal monitoring processes, improve risk management and optimize human resources and the supply chain. A third asked for more specific references to be made to the Pact for the Future and IOM's role in its implementation, as well as in achieving the Sustainable Development Goals.
- 40. Several speakers welcomed the Organization's gender-mainstreaming activities, both within the Administration and in terms of gender-responsive and inclusive migration approaches in its work, while some underscored that wording used in IOM documents should align with that of the Charter of the United Nations, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights and one group of States specifically dissociated themselves from any controversial terms used in documents adopted by the current Session of the Standing Committee. One Member State representative expressed concern about references to sexual and reproductive health and rights, while other speakers expressed strong support for IOM's commitment to the issue and to the broader protection of all migrants in situations of vulnerability. Several speakers drew attention to the importance of an intersectional approach to gender equality, notably with regard to the specific needs of migrants with disabilities.
- 41. Several Member States emphasized the importance of inter-agency collaboration to avoid duplication of effort and encouraged the Organization to continue working closely with United Nations system entities, especially the ILO, the United Nations Economic Commission for Africa and UNHCR, and other international organizations such as the African Union Commission, as well as with national authorities, civil society, diaspora communities, and other partners and relevant stakeholders. One speaker particularly highlighted the cooperation between UNHCR and IOM on the concept of the route-based approach; another underlined the importance of work with the ILO to protect migrants from forced labour and other serious rights violations. Efforts to expand funding for the Operational Part of the Budget by engaging both traditional and new donors, including the private sector, were welcomed. One Member State representative, speaking on behalf of a regional group, commended the Organization's efforts to support the work of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNWRA) in the Occupied Palestinian Territory, including Gaza, and to scale up operations in Lebanon.
- 42. The Director General, responding to the comments made, said that the budget for the core structure set out in document C/115/7, comprising assessed contributions and OSI, represented approximately 8 per cent of the Organization's total projected budget of some USD 4 billion for 2025, most of which would be spent on field-based projects. In a significant shift from past practice, a number of traditionally Headquarters-based posts were being moved to regional offices with a view to

enhancing the Organization's effectiveness. The increase in Headquarters staffing reflected the significant growth in the Organization's activities around the world. The budget under consideration was intended to cover areas that would not be funded under specific projects, such as emergency response coordination, strategic planning, results-based budgeting, building resilience, ethics and PSEAH, communications, data analysis, climate action and achieving the Sustainable Development Goals, and had been drawn up taking into account feedback received from Member States and MOPAN and through other bilateral review processes. The overarching aim was to make the Organization more fit for purpose.

- 43. The Deputy Director General for Management and Reform added that the internal reform process included strengthening the supply chain, both globally and regionally. A new enterprise resource planning system would be launched in January 2025, though some elements relating to human resources capabilities and the supply chain had already been introduced. The new system would facilitate sound data- and evidence-based management decisions. In line with Standing Committee Resolution No. 31, an organizational efficiency report on the progress of budget reform implementation would be submitted to the Standing Committee at its next session. In the area of risk management, IOM participated in the High-Level Committee on Management and continuously shared best practices with other United Nations agencies. A revised Internal Governance Framework, to be presented in the near future, would include tracking the implementation of the MOPAN recommendations, alongside other initiatives to support the strengthening of core organizational capabilities.
- 44. The Administration said that the Organization's geographically widespread operations made predicting inflation and cost-of-living variations a complex annual exercise. While not entering into excessive detail, future documents could provide additional information on the methodology used. The staggered approach to budget reform had resulted in a similarly staggered implementation plan, but 2025 was expected to see positive steps towards accelerating the process, especially in view of the high level of OSI predicted. In addition, the launch of the new enterprise resource planning system in 2025 would support the move towards results-based budgeting. The Administration would look into other ways to provide Member States with the information they sought in the context of moving towards results-based budgeting, while noting the requests to retain the level of details in the document. The IOM Strategic Plan 2024–2028 would remain the driving force in discussions with donors, host governments and Member States on what projects would be implemented in which countries. Projects were being negotiated on a continuous basis with the aim of addressing as many needs as possible within the resources available to the Organization.
- 45. The Standing Committee took note of the Programme and Budget for 2025, as set out in document C/115/7, and of the comments by Member States, and recommended that the Council approve CHF 88,874,192 for the Administrative Part of the Budget and USD 2.19 billion for the Operational Part of the Budget.

Progress report on the implementation of the External Auditor's recommendations

46. The Administration gave a slide presentation introducing the document entitled Report on the implementation of the External Auditor's recommendations (S/35/11), outlining the three types of audit – certification, performance and compliance – undertaken by the External Auditor. The increase in the number of visits to IOM field offices was a reflection of IOM's growth and ensured continued extensive verification of compliance by the Organization's services and operations. Of the 45 outstanding recommendations, many related to changes in information and communications technology infrastructure, including the roll-out of the new enterprise resource planning system. IOM was committed to acting on all recommendations, the majority of which were expected to be implemented by the end of 2025.

- 47. The Deputy Director General for Management and Reform noted that implementing the External Auditor's recommendations was not a formulaic exercise in necessity; rather, it represented an opportunity to make the Organization more agile and responsive. Reinforcing the enablers of the IOM Strategic Plan 2024–2028 and enhancing data-driven decision-making would better enable the Organization to address the External Auditor's findings.
- 48. The representatives of two Member States expressed concern about the upward trend in outstanding recommendations, with one speaker underscoring the centrality of the new enterprise resource planning system to addressing recommendations of long standing.
- 49. In reply, the Administration said that Chiefs of Mission were prioritizing outstanding recommendations that concerned individual country offices. Regarding those that encompassed the whole Organization, more information could be found in document S/35/11.
- 50. The Standing Committee took note of document S/35/11.

Update on the appointment of an External Auditor

- 51. The Administration, introducing the document entitled Update on the appointment of an External Auditor (C/115/6), said that nine expressions of interest had been received by the deadline, one of which had subsequently been withdrawn. Annexes II and III to document C/115/6 contained a summary of the information provided by interested national audit offices and their application submissions, respectively.
- 52. The Legal Counsel gave a slide presentation detailing the procedure for appointing a new External Auditor at the forthcoming 115th Session of the Council. Consistent with past practice, if no consensus were reached, the Council would elect an External Auditor by secret ballot. Pursuant to Article 24 of the IOM Constitution, the required majority would be a simple majority of those present and voting. The first round of the secret ballot would include all candidates, and if no candidate obtained a simple majority, a second round would take place between the two highest-scoring candidates, in accordance with the Rules of Procedure of the Council. In case of a tie, the Chairperson would decide by drawing lots. She explained how to fill the ballot papers, noting that a blank ballot would be treated as an abstention.
- 53. One speaker suggested that the Administration consider ways to enhance the selection process, in consultation with Member States.
- 54. The Standing Committee took note of document C/115/6 and agreed to submit to the Council for its consideration and decision the list of candidates for the appointment of an External Auditor for the three-year term for 2025 to 2027.

Update on plans for the IOM Headquarters building

The Administration gave a presentation introducing the document entitled Plans for the IOM Headquarters Building: update 11 (S/35/10). Following submission of the finalized project design for the new IOM Headquarters building by the planning consortium, Junon, in June 2024, the Administration had validated the project and officially submitted a building permit request to the host State authorities. The updated budget for the project included three elements: the construction budget, confirmed at CHF 72 million in line with the initial target, which would be disbursed from host State loans; the budget for moveable items and expenses related to business continuity, to be covered by the Organization's own funds; and the costs for risks pertaining to the project. The risk register was

regularly reviewed and updated; as parts of the project were optimized and clarified, some costs were integrated into the overall construction budget, while new risks were added to the register. The total for all risks was estimated at CHF 9.6 million, which would have to be covered by the Administration if not prevented during the construction phase. In particular, amounts of CHF 1 million and 1.2 million, respectively, were currently included in the register for risks relating to the value engineering of technical equipment for climate control, electricity and heat production and modification to existing structures at the site.

- 56. The representative of one Member State, while welcoming the revised cost estimates provided in the Annex to document S/35/10, expressed concern that the contingency line in the updated budget had been reduced to 4.2 per cent of the total construction and management costs; in her view, 10–15 per cent would be more appropriate.
- 57. The Standing Committee took note of document S/35/10.

Information on the Buildings Fund Account

- 58. In her introductory remarks, the Deputy Director General for Management and Reform said that the creation of the Buildings Fund Account was intended to enhance the Organization's financial preparedness and provide clear, accountable funding for capital investments to support operational integrity and efficiency, addressing immediate needs and providing a sustainable mechanism for managing infrastructure costs in the long term. Recent expansion in the Organization's operational scope had made the matter urgent. The amount of the allocation proposed from the OSI reserve to cover the Headquarters transition and renovations and upgrades to field premises was based on the Administration's best estimates. Replenishment mechanisms such as voluntary contributions, cost recovery and asset sales would support the Fund's continued viability.
- The Administration gave a slide presentation introducing the document entitled Information on the Buildings Fund Account (S/35/12), noting that the allocation requested from the OSI reserve to cover costs related to the new Headquarters building that were not funded by the study loan or construction loan from the host State or from other sources amounted to CHF 34.4 million, equivalent to USD 34.8 million at the current United Nations operational rate of exchange. An additional USD 5 million was being requested for costs related to investments for the purchase or construction of field office premises and the renovation, refurbishment and necessary upgrade of existing premises that could not be covered from other sources of funding, giving a total of USD 39.8 million. The Administration had planned for the creation of the Buildings Fund Account by systematically increasing the OSI reserve in recent years to meet financial requirements at the relevant stage of the Headquarters building project. In 2025, those funds would need to be accessed to meet commitments in various areas.
- 60. Member States expressed support for the creation of the Buildings Fund Account and the allocation requested from the OSI reserve. One representative suggested that specific provision should be made to replenish the new Account to cover future costs. Another said that the Account should be used to cover the financial risks associated with the new Headquarters building project. She suggested that a monitoring committee be established, composed of experts and Member State representatives, to oversee the project; she also requested that reports be circulated further in advance in future to allow for better-informed decision-making.
- 61. The Administration, responding to points raised, said that the risk register maintained for the project was constantly updated. Risks might be added, removed, reinstated, or moved from the contingency line to other budget lines, while the amounts allowed for specific risks could increase or decrease, as appropriate. Although the contingency line currently accounted for only 4.2 per cent of

the total construction and management costs, it could not be changed because the construction loan was a fixed sum. The allocation requested from the OSI reserve represented known costs; real funding needs stemming from risks on the register would be addressed as they arose. Member States would be updated regularly on any developments.

62. The Standing Committee took note of document S/35/12.

Report on the work of the Office of Internal Oversight

- 63. The Administration gave a slide presentation introducing the document entitled Report on the work of the Office of Internal Oversight (S/35/6), which covered the period from 1 September 2023 to 31 August 2024. Additional human resources had been allocated to the Office to strengthen its internal oversight functions, and four independent offices were being established to decentralize audit and investigation services.
- 64. The Office had received 45 per cent more allegations than in the previous cycle, and the upward trend was expected to continue. Although a sign of greater trust in reporting mechanisms, the increase posed significant challenges in all phases of the investigative workflow, as evidenced by the fact that the number of open cases had more than doubled.
- 65. Concluding investigations did not constitute the sum of the Organization's response to misconduct. Several initiatives were under way to improve awareness and communication regarding the proper channels through which to report instances of workplace issues, and the Office was working to strengthen prevention, early intervention and alternative resolution where appropriate.
- Ouring the ensuing discussion, Member States welcomed efforts to strengthen internal oversight, with two delegates commending the Organization's commitment to a victim-centred approach. One speaker stressed the importance of inclusive and equitable oversight functions to avoid further marginalizing communities historically disadvantaged by centralized power structures. While one Member State echoed the Administration's remarks that the increase in allegations was indicative of staff confidence in the reporting system, a second enquired what the Organization was doing to prevent similar instances of misconduct from recurring.
- 67. Several speakers questioned whether sufficient resources had been allocated to the Office in view of growing oversight needs, with two drawing particular attention to the considerable number of vacancies. One delegate expressed concern about IOM's PSEAH capacity, noting the shortage of coordinators and specialized staff at the regional and country levels, respectively.
- 68. Various representatives welcomed the commitment to resuming regular integrity briefings, underscoring the importance of the timely transmittal of information to Member States.
- 69. Two speakers enquired as to the specific measures adopted in respect of substantiated cases, as well as to the monetary losses caused by fraud and financial irregularities. One also asked whether IOM planned to adopt formal procedures for investigating allegations of misconduct against senior management or internal oversight staff.
- 70. The Administration, responding to points raised, said that the revised investigative structure and additional capacities would enable the Office to adopt a more proactive approach to fraud. Information on types of allegation by region and on financial losses identified would be published online. Filling vacancies was a priority, as was ensuring that the Office worked independently yet collaboratively.
- 71. The Standing Committee took note of document S/35/6.

Report of the IOM Audit and Oversight Advisory Committee

- 72. A member of the IOM Audit and Oversight Advisory Committee gave a slide presentation detailing the Committee's work during the reporting period. The previous Committee had completed its work in December 2023; the current members had signed contracts for a second and final term in August 2024 and the first meeting of the Committee was scheduled to take place before the end of year. Priorities for review included the 2025 risk-based internal audit plan and the restructuring of the Office of Internal Oversight.
- 73. To ensure the complementarity of organizational growth and staff development, the Committee was assessing the alignment between the IOM Strategic Plan 2024–2028 and the IOM People Strategy 2024–2028. To provide more comprehensive oversight of the Organization's financial operations, the Committee would further integrate treasury and investment topics into its work.
- 74. One representative queried the rationale behind the Committee's composition. She also requested that a document detailing its work be issued in advance of future meetings. Another referred to specific national practice that could prove useful in the context.
- 75. The Standing Committee took note of the presentation made by the Chairperson of the IOM Audit and Oversight Advisory Committee.

Report on the privileges and immunities granted to the Organization by States

- 76. The Legal Counsel gave a slide presentation introducing the document entitled Eleventh annual report of the Director General on improvements in the privileges and immunities granted to the Organization by States (S/35/4). She recalled that Article 23 of the IOM Constitution established the legal basis for the Organization's privileges and immunities. During the period 2014–2024, the number of relevant States and places granting such privileges and immunities had increased from 83 to 108, taking into account the agreement concluded with one Member State after the issuance of document S/35/4.
- 77. Gaps in core privileges and immunities exposed the Organization to operational and financial challenges, including the exercise of jurisdiction by national courts over employment claims filed by IOM staff and the seizure of IOM funds by national authorities. The Organization would continue to engage with States to develop bilateral agreements pursuant to Council Resolution No. 1266 of 26 November 2013.
- 78. The Standing Committee took note of document S/35/4 and recommended that the Council remain seized of the matter and reiterate its call to Member States, observer States and other States and places where the Organization had activities to grant the Organization privileges and immunities meeting the criteria contained in Council Resolution No. 1266.

Report of the Chairperson of the Working Group on IOM Partnerships, Governance and Organizational Priorities

79. The representative of the Republic of Korea delivered a statement on behalf of the Chairperson of the Working Group on IOM Partnerships, Governance and Organizational Priorities. Since the Thirty-fourth Session of the Standing Committee, the Working Group had held one meeting, during which it had considered the implications of IOM participation in the JIU. Several Member States had requested that the process for joining the JIU be expedited. The Working Group had agreed to meet again, in early 2025, with a view to reaching consensus on an exact timeline for membership.

- 80. Representatives of two Member States expressed their support for JIU membership, which would strengthen accountability and oversight functions. One also requested information on the prospects for the Organization's joining the International Civil Service Commission.
- 81. The Standing Committee took note of the presentation given on behalf of the Chairperson of the Working Group.

Provisional workplan for the IOM governing bodies during 2025

- 82. The Administration introduced the document entitled Provisional workplan for the IOM governing bodies during 2025 (S/35/8). There would be two sessions of the Standing Committee, one in June and another in October, and the Council would meet in November. The dates had been chosen to ensure no overlap with the governing body sessions of other United Nations agencies taking place in Geneva.
- 83. The Standing Committee took note of document S/35/8.

Exchange of views on items proposed by the membership

- 84. Before presenting the two topics for discussion, the Deputy Director General for Operations briefly referred to the document entitled IOM Development Fund Status report: 1 January to 30 September 2024 (S/35/9).
- 85. She expressed appreciation for the more than USD 18.5 million made available in 2024, which had enabled Member States to pilot and implement catalytic projects to address important migration governance challenges that might otherwise not be prioritized. The alignment of the Fund with the IOM Strategic Plan 2024–2028 was being externally evaluated. Member States were encouraged to complete the associated questionnaire to ensure that the Fund remained relevant and addressed their needs.
- 86. Speakers recognized the vital role of the Fund in their countries' efforts to improve migration governance and management, address climate change and achieve sustainable development. Donors' continued contributions were deeply appreciated, especially given the growing demand for project funding. A Member State representative asked the Administration to consider increasing the budget allocation for the Fund.
- 87. One representative, speaking on behalf of a regional group, welcomed the funding already allocated to 19 projects in the region and the expansion and development of awareness-raising and fundraising campaigns to promote both IOM's work and positive narratives about migrants and migration. The same representative, having commended the Fund on piloting the integration of the Strategic Results Framework into its projects, requested the Administration to provide details on next steps in that area and encouraged continuing evaluations of completed projects and of the Fund as a whole.

(a) IOM's approach to protection of migrants and displaced persons

88. The Deputy Director General for Operations said that in a context of increased internal displacement, unprecedented numbers of migrant deaths and large profits being made by migrant smugglers and traffickers, the IOM approach to protection represented a renewed pledge to safeguard migrants' rights. It had been developed in response to recommendations from external oversight bodies and was in line with the Global Compact for Safe, Orderly and Regular Migration and the

United Nations Secretary-General's Action Agenda on Internal Displacement. Under its Strategic Plan 2024–2028, IOM was mainstreaming protection into all of its work and enhancing its capacity to advocate for migrants. Support from Member States would be vital, and they were encouraged to participate in the Protection Action Advisory Group soon to be launched.

- 89. The Administration gave a slide presentation introducing the document entitled IOM's approach to protection of migrants and displaced persons (S/35/5). It had become necessary for the Organization to clearly define its approach to protection as the scope of its work in that area had expanded. In addition, IOM was facing a growing number of increasingly complex protection challenges, and the Organization's projectized nature led to a risk of incoherence and unpredictability in its protection work. The approach did not amount to an expansion of IOM's mandate, nor did it overlap with the mandate of UNHCR. Nevertheless, the scope of the Organization's protection work had expanded dramatically over the preceding decade. Member States were therefore encouraged to provide funding and expertise to support that work. It should be noted that IOM was working to establish the Protection Action Advisory Group, informally referred to as the Friends of Protection platform, to facilitate regular engagement with Member States on matters related to the protection of migrants and displaced persons.
- 90. During the ensuing discussion, Member States welcomed the Organization's focus on protection and its inclusion in the IOM Strategic Plan 2024–2028. Representatives expressed appreciation for the Organization's implementation of the most recent MOPAN recommendations on that topic. Several speakers welcomed the IOM Approach to Protection; one Member State representative, speaking on behalf of a regional group, called on IOM to continue its implementation. The representative of a regional group was joined by Member States in encouraging IOM to further strengthen its collaboration with UNHCR. One speaker stressed the importance of a clear distinction between the mandate of IOM and that of UNHCR, while others emphasized the need for collaboration among protection actors. A number of Member States noted the importance of initiatives being tailored to national or regional needs.
- 91. A representative of a Member State called for broader and coordinated action on durable solutions to internal displacement. Another speaker, joining a representative in expressing concern about the rise in internal displacement, requested that the recommendations contained in the document under consideration be officially disseminated to Member States. IOM was encouraged to advocate stronger national laws protecting migrants and displaced persons and to strengthen human rights reporting mechanisms for migrants. One Member State highlighted the need for initiatives to reduce exposure to protection risks, with a focus on socioeconomic development. Another expressed support for the development of innovative approaches to protection through the Cooperation on Migration and Partnerships to Achieve Sustainable Solutions (COMPASS) programme. Given that the mandate of the United Nations Special Adviser on Solutions to Internal Displacement would soon come to an end, a number of representatives wished to know more about the role IOM would play in joint efforts with United Nations agencies to support internally displaced persons.
- 92. One Member State representative encouraged the Organization to undertake more work to prevent and address climate-related displacement. Another urged IOM to continue engaging with Member States to safeguard migrants' rights and promote positive narratives on migration. A regional group and a Member State recommended advocating stronger protection of migrants in global, regional and national forums. IOM was encouraged to strengthen the Missing Migrants Project with a view to informing collective action. A number of speakers agreed on the need for more funding to be allocated to IOM's protection work, including through collaboration with international financial institutions. Several representatives requested further details regarding the Protection Action Advisory Group.

- 93. The Administration, responding to comments made, said that the Organization was prepared to deliver in line with Member States' expectations. Regional strategies on protection would be developed in 2025. It was hoped that, with the support of Member States, IOM would be in a position to increase the quality and quantity of its protection programming. The Organization would work to bring together various actors to address protection risks, especially through the Protection Action Advisory Group, which would guide protection action but not duplicate the work of the United Nations Network on Migration.
- 94. The Deputy Director General for Operations added that she was deeply grateful for the support expressed by Member States. She was especially grateful to the Kingdom of the Netherlands for having funded many protection initiatives through the COMPASS programme. IOM was working with partners in the United Nations system to ensure a smooth transition following the end of the mandate of the Special Adviser on Solutions to Internal Displacement. Responsibility for coordinating work on internal displacement within the United Nations system would rotate between different organizations from 2025 onwards, starting with IOM.

(b) Leveraging technological change to build better regular migration pathways

- 95. The Deputy Director General for Operations said that the use of technology in migration systems presented an unprecedented opportunity to enhance efficiency and security. IOM had decades of experience in developing technology for migration governance, including Migrant Information and Data Analysis System (MIDAS) and Pathways Assistance Tracking Hub (PATH). The Organization was committed to promoting ethical standards for migration technology to address challenges related to data privacy and the potential for bias in automated decision-making processes.
- 96. The Administration introduced the document entitled Leveraging technological change to build better regular migration pathways (S/35/3), supplemented by a slide presentation. Technology could be used to improve many aspects of migration governance and expand access to regular migration pathways, including by streamlining administrative procedures, enhancing transparency and ensuring orderly and predictable migration movements. Benefits could be extended to include access to legal identity, health-care provision, job matching and diaspora engagement. IOM had a strong track record in developing technological tools and advising Member States on their use. It would continue that work while considering the ethical implications. More investment was needed to automate and streamline migration systems, which required robust digital infrastructure. In that respect, the Organization would continue to carry out digital maturity assessments when requested by Member States. Ethical guidelines were needed to mitigate risks related to the use of technology.
- 97. Many Member States expressed appreciation to IOM for the information shared and its efforts to advance technological development for migration governance. Two Member State representatives encouraged the Organization to continue leading work in that area. Several speakers reaffirmed their commitment to developing or implementing technologies to support regular migration pathways and migration governance. While one Member State representative speaking on behalf of a regional group commended IOM for having worked with a range of stakeholders on technology initiatives, another speaker urged the Organization to seek greater collaboration with other international organizations. Most Member States outlined the use of technology at the national level, with initiatives ranging from online visa processing systems and digital platforms for information sharing between States to online employment services and repositories of information for migrants. One Member State, recognizing the importance of access to legal identity, had introduced a digital birth registration system.

- 98. Several speakers raised ethical concerns related to the use of technology in migration procedures, including potential data privacy and security issues, unequal access, and biases in automated decision-making processes. Representatives asked about IOM's work with private sector partners in relation to migration technology. One enquired as to how IOM ensured that mechanisms were in place to protect rights and prevent bias when it supported the implementation of migration technology and whether IOM had taken measures to combat online misinformation and hate speech against migrants. The Organization was commended by one speaker for having developed online resources to be used by media professionals to counter misleading narratives and disinformation about migration. Some Member State representatives expressed concern about the digital divide and noted the importance of leaving no one behind. Three drew attention to the need for initiatives to be tailored to regional and national contexts. Given the proliferation of online recruitment scams targeting migrants, one representative urged IOM and the international community to develop mechanisms to ensure ethical recruitment processes.
- 99. The Administration, welcoming the support expressed by Member States, stressed the importance of inter-State cooperation on innovation to address shared challenges. IOM had sought and would continue to seek partnerships with the private sector. IOM had also partnered with other organizations in the United Nations system on technology initiatives. With human rights at the core of its work, IOM recognized the importance of inclusive and transparent migration pathways. Cognizant of the importance of access to legal identity, IOM was one of the only international organizations with a legal identity strategy. There was a need for further work to combat misinformation related to electronic travel authorization systems. IOM stood ready to continue its technological innovation efforts.
- 100. The Deputy Director General for Operations noted that it was important for technology to contribute to regional integration in support of South–South migration pathways. IOM would continue to assist Member States to leverage digital solutions to advance migration governance, uphold human rights and protect migrants.
- 101. The Standing Committee took note of documents S/35/3, S/35/5 and S/35/9 and of the comments made by Member States.

Closure of the session

102. The Chairperson declared the Thirty-fifth Session of the Standing Committee on Programmes and Finance closed on Tuesday, 5 November 2024, at 12.20 p.m.