

**STANDING COMMITTEE ON PROGRAMMES AND FINANCE**

**Thirty-second Session**

**EIGHTH UPDATE ON THE APPLICATION OF THE  
INTERNAL GOVERNANCE FRAMEWORK**



## **EIGHTH UPDATE ON THE APPLICATION OF THE INTERNAL GOVERNANCE FRAMEWORK**

### **Introduction**

1. This report provides an update to the information provided by the Administration to the Thirty-first Session of the Standing Committee on Programmes and Finance on its progress in applying the IOM Internal Governance Framework (IGF) (document S/31/INF/1).
2. The Administration remains committed to a dialogue with Member States regarding the progress made in applying the Framework, as well as funding needs and priorities, as appropriate. The Administration will continue to report on progress made in this regard, including key achievements, at each session of the Standing Committee.
3. This report follows the structure of the IGF Workplan (*Application of the Internal Governance Framework Work Plan*) to simplify and standardize the reporting process, which will also facilitate monitoring of progress. As such, this report is presented using the four workstreams:
  - (a) Workstream 1: Foundational components
  - (b) Workstream 2: Strengthening existing business processes
  - (c) Workstream 3: Business Transformation (including the introduction of a new enterprise resource planning system)
  - (d) Workstream 4: Internal justice

### **Recent key achievements**

4. Further strides have been made towards achieving the organizational reform objectives through the successful implementation of the IGF Workplan. As of April 2023, 64 out of the total of 73 work items had been completed or fast-tracked for completion under the Business Transformation. Efficiency gains for 2022 are estimated at USD 8.20 million, of which USD 7.74 million comes from initiatives specific to IOM, with the remainder attributable to bilateral initiatives with other United Nations entities.
5. This update outlines a selection of recent key achievements that are contributing to the realization of a modern, fit-for-purpose internal governance system. It does not reflect the full scope of work; a comprehensive progress report on the application of the IGF Workplan was provided to Member States in December 2022 and another report will be shared later in 2023.

#### **(a) Workstream 1: Foundational components**

##### ***Work item 1.1.1: Strategic planning, taking a results-based approach***

6. Designed to encompass all programmatic areas, cross-cutting priorities and management focus areas of the Organization, the Strategic Results Framework reached a significant milestone in its operationalization with the launch of a pilot covering over eight country offices in February 2023. In the same month, the associated indicators were integrated into the Project Information and Management Application (PRIMA), which means that the Framework results statements, cross-cutting priorities and indicators can now be used for new projects developed through PRIMA. This will allow the aggregation of key results across projects and facilitate the evidence-based assessment of progress

against IOM priorities at the country, regional and global levels. The roll-out of the Framework will also help the Organization demonstrate its contribution to achievement of the Sustainable Development Goals and the objectives of the Global Compact for Safe, Orderly and Regular Migration.

***Work items 1.5.2, 2.10.2 and 2.10.3: Developing an action-oriented private sector partnerships strategy and action plan, Goodwill ambassador guidelines and Due diligence policy instruction***

7. Issued in February 2023, the Private Sector Engagement Strategy 2023–2027 sets out an ambitious five-year plan to raise USD 30 million by 2030, with the aim of enhancing the capacity of IOM staff to fundraise, build partnerships with the private sector and generate more predictable and diversified sources of funding. The Strategy covers several key elements that will support the Organization in achieving these goals, including the goodwill ambassador and Islamic philanthropy fund pilot programmes. The Due Diligence Process for Prospective Collaborations between IOM and the Private Sector was also issued in February 2023. This aims to ensure that the Organization's collaborations and partnerships with the private sector are aligned with the core values, partnership principles, and institutional policies and commitments of IOM and the United Nations – notably in terms of integrity, transparency and accountability.

**(b) Workstream 2: Strengthening existing business processes**

***Work items 2.4.3, 2.4.4 and 2.4.9: Renewal of procurement policies, Development of supply chain standard operating procedures and Third-party accountability framework for vendors***

8. After extensive coordination with supply chain practitioners and representatives in the field offices and relevant departments and divisions, the third revision of the IOM Procurement Manual was issued in March 2023. The revision is harmonized with United Nations and other international public procurement principles and best practices, notably in relation to ethical standards, vendor ineligibility and wrongdoing procedures, and is also aligned with the European Union pillar assessment requirements. In addition, greater emphasis has been placed on quality assurance, while a demand forecasting and planning concept has been introduced to take advantage of economies of scale and to reduce lead times and the risk of non-compliance or exceptions.

9. In parallel, the optimization of supply chain management within the Organization has given it greater agility, as demonstrated by the improved mobilization of global resources in response to the crises in Ukraine and Türkiye, and other emergencies. In 2022, IOM procured goods and services worth over USD 1 billion, with the number of approved purchase requests rising by 46 per cent from 2021. Even under these increasingly demanding conditions, the Organization has further reduced global lead times by approximately 7 per cent, from an average of 3.8 days in 2021 to 3.54 days in 2022. For the Ukraine response, it took just 3.14 days on average to process purchase requests for life-saving medical supplies, shelter and non-food items as part of complex cross-border operations. In Ethiopia, there was a significant increase in the number of purchase requests approved – from 3,625 in 2021 to 6,405 in 2022 – yet the associated lead times were similarly reduced.

10. Although this analysis focuses on purchase requests, it is important to note that the associated impact and efficiency gains carry over to overall supply chain management within IOM. By leveraging an evidence-driven approach to improve supply chain performance, the Organization has significantly enhanced the agility and quality of its service provision. This is just one way in which application of the IGF has effectively strengthened the Organization, making it more fit for purpose in its role as a key operational actor in the field of human mobility.

**(c) Workstream 3: Business Transformation (including the introduction of a new enterprise resource planning system)**

11. The Business Transformation remains within its budget of USD 56 million, with the roll-out of the new enterprise resource planning system taking place in 2023 and early 2024. In February 2023, the human resources performance management component became the first application of the Business Transformation project to go live. The solution is based on the new Policy on Performance Management, which will enable a more participatory and frequent review and feedback process. To date, nearly 14,000 staff members have accessed the new Oracle platform. The success of this first wave of its deployment is in part due to the co-design approach applied throughout the Business Transformation, which is allowing subject matter experts, field staff and the implementation team to collaborate on building the system together.

12. The Business Transformation team is also making progress with implementation of the next three waves of applications in anticipation of the go-live scheduled for January 2024. These planned deployments include the launch of the learning and recruitment modules, which are due to be followed by the planning and budgeting modules. The final wave will then cover the finance, supply chain, workforce management and payroll, contract, fleet and project management components in Oracle Cloud. A series of training and adoption sessions has been planned to prepare IOM staff for these new ways of working. In parallel, preparations are under way to transfer existing data to the new solution; this involves cleaning, transforming and validating the data to ensure that the new system operates as planned.

**(d) Workstream 4: Internal justice**

***Work item 4.1: Review and strengthening of the IOM internal justice system***

13. During the reporting period from 1 January to 31 December 2022, the Office of the Inspector General continued to reduce the backlog of cases handled by the investigation function. The number of open cases under investigation decreased from 142 to 101 (excluding cases referred for investigation by third parties), with only 14 cases predating 2021 remaining open at the end of the year. During the same period, the number of allegations at the intake stage grew significantly from approximately 60 to 276. This was the result of a substantial increase in the number of allegations reported over the course of the year, which reached 1,409 as compared to 986 in 2021, 721 in 2020 and 494 in 2019. Notwithstanding this increase, 79 per cent of cases were processed through the intake stage within three months in 2022. The Office considers that the rise in allegations is due to growth in staff numbers and the scale of operations at IOM, in addition to a stronger culture of accountability, integrity and transparency.

14. During the same reporting period, the Office of the Inspector General referred 108 cases to the Department of Legal Affairs for consideration of disciplinary measures, based on investigation reports and referral reports on cases for which sufficient evidence existed after preliminary assessment or investigation. Due to the substantial increase in allegations received and a rise in other demands, funding for additional positions for the investigation function was provided in the Programme and Budget for 2023 and from IGF funds. The function is now composed of 21 staff positions.

**Conclusion**

15. The Administration is fully committed to the continued dialogue with Member States on the application of the IGF. It would like to commend Member States for their continued involvement, in particular those that have provided unearmarked or softly earmarked contributions for this purpose. The Administration will provide another update on the application of the Framework at the Thirty-third Session of the Standing Committee on Programmes and Finance in late 2023.