

STANDING COMMITTEE ON PROGRAMMES AND FINANCE

Thirty-fourth Session

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

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Introduction

1. This report provides an update to the information provided by the Administration to the Thirty-third Session of the Standing Committee on Programmes and Finance on its progress in applying the IOM Internal Governance Framework (IGF) (document S/33/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.
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. IOM continues to pursue organizational reform through the execution of the IGF Workplan. As of March 2024, there are seven remaining work items, which are expected to be completed during the year. The largest outstanding item is the Business Transformation, which will conclude with the roll-out of the new enterprise resource planning (ERP) system.
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 was provided to Member States in January 2024.

(a) Workstream 1: Foundational components

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

6. Roll-out of the Strategic Results Framework continued throughout 2023, coupled with the delivery of targeted training and webinars. By the end of the year, the Framework had been piloted in over 290 IOM projects in multiple countries. During external reviews to assess this pilot phase, positive feedback was received from country offices about the relevance of the Framework and its ease of use for project development and the reporting of aggregated results.
7. Following an extensive consultation process, the IOM Strategic Plan 2024–2028 was finalized in late 2023 and launched in January 2024. During its development, IOM conducted a technical revision of the Strategic Results Framework to ensure alignment with the strategic objectives. The theory of change was revisited, leading to the addition, adjustment or removal of several result statements and indicators to respond to emerging needs, address gaps and guide IOM's work in the new strategic cycle.

8. The revised Strategic Results Framework, which was integrated into the Project Information and Management Application (PRIMA) in December 2023, breaks down the three objectives of the Strategic Plan into long- and short-term outcomes and outputs, with measurable indicators and targets to be incorporated into projects. Key institutional tracking tools, notably the institutional questionnaire and the organizational effectiveness and efficiency survey, have also been overhauled to improve alignment with the Framework. This will allow IOM to produce the high-quality, consistent data required to monitor progress, communicate results externally, and improve the quality, effectiveness and impact of interventions.

(b) Workstream 2: Strengthening existing business processes

Work item 2.6.4: Global payroll

9. The global payroll project, which was officially launched in March 2023, aims to centralize payroll processing for local staff across IOM. During the initial pilot phase, this was successfully achieved for approximately 4,000 staff from 13 country offices. Since that phase was completed in August 2023, the payroll systems of a total of 152 country offices, encompassing around 15,000 local staff, have been centralized. The final phase involves centralizing the payroll systems of 17 complex offices with special requirements during the go-live of the new enterprise resource planning system, which will involve additional system configurations.

10. The implementation of a centrally managed payroll system is expected to drive operational efficiencies by making it possible to use a single global payroll calendar. This approach enhances payroll validation, data quality and exception management, and ensures the uniform application of policies across IOM, enabling it to meet this core organizational requirement. The centralized payroll system optimizes organizational resources by eliminating the duplication of efforts that previously occurred between offices, allowing local human resources functions to concentrate on strategic tasks. It also reinforces internal control by ensuring the proper segregation of duties – a critical measure that was not being consistently applied, particularly in small missions where a single person controlled the entire payroll process.

Work item 2.7: Policy development

11. The Working Group on Policy Development was tasked with reviewing the instruction on the issuance of and adherence to instructions and guidance. This involved reviewing the existing categories of administrative issuances and their ownership and development processes, with reference to the equivalent policies of other United Nations agencies, in order to develop the revised draft instruction and the associated procedural documents.

12. The revised instruction streamlines the terminology used for internal issuances, which had previously led to a lack of clarity among staff about the different categories of issuances and their binding nature. The revision will also improve the consistency of the coordination and approval process for administrative issuances and reduce the lead time for their development and publication. Another aim of the revision process is to increase awareness of and compliance with administrative issuances by enhancing their accessibility and running training and webinars to facilitate implementation.

Work item 2.10.1: Donor Accountability Action Plan

13. The work of the Resource Mobilization Division under work item 2.10.1 has focused on enhancing IOM's accountability to its donors by improving the quality and timeliness of donor reports. Through the Donor Accountability Working Group, the Division has led a collaborative effort across IOM Headquarters and all regional offices to improve the policy and processes relating to knowledge

management and capacity-building for donor reporting at IOM. A key outcome of this work has been the development of the Donor Reporting Guidance document, which delineates roles and responsibilities, and sets out the escalation procedure in the event of non-compliance with reporting requirements.

14. In support of these efforts, informational webinars have been conducted for all regional offices and the Donor Reporting Guidance document has been presented at the IGF global webinar, collectively engaging over a thousand participants. Integration of the Guidance document into the forthcoming update of the IOM Project Handbook will also improve the harmonization of reporting practices throughout the Organization by underscoring the importance of consistency and clarity in reporting.

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

15. Implementation of the new enterprise resource planning system, known as Wave, has been postponed from May 2024 to later in the year due to challenges encountered with the consulting supplier. The Business Transformation team is working in close collaboration with the Executive Office and the supplier to establish a revised timeline that allows implementation of the system according to the originally designed scope while maintaining quality standards and safeguarding operational continuity.

16. The Business Transformation team has initiated several measures in this regard to ensure transparent communication and keep staff members informed of developments. The new Wave SharePoint platform has been launched, serving as a centralized hub for all information about Wave and the wider Business Transformation, and streamlining access to project updates and resources. A notable feature of the platform is the “Wave Walkthroughs”, which give users an insight into the functionality of the solution. In addition, a support network has been established to assist staff with the transition to Wave, with a key role being played by the regional change management officers. Advanced training is also being provided for trainers and support staff to equip them to offer embedded assistance in the regions and at specific missions.

(d) Workstream 4: Internal justice

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

17. In December 2023, the Office of Internal Oversight – formerly the Office of the Inspector General – proposed to decentralize its internal audit and investigations functions in order to provide services where they are most needed, address backlogs and broaden audit coverage within IOM, while making the Office more agile and fit for purpose for the current business model. The restructuring will be implemented from 2024 to 2026, with initial funding from the Programme and Budget for 2023 and Internal Governance Framework funding, supplemented by the 2024 budget. Funding for the proposed changes in 2025 and 2026 will be reviewed during the preparation of the budgets for those years.

18. Approved by the Director General in April 2024, the restructuring included the immediate designation of regional audit and investigation centres while the actual relocation of offices and staff is undertaken. To strengthen the Office, a quality assurance unit has been established, and financial and administrative services to support the three functions have been consolidated in the Inspector General’s office through the creation of a Resource Management Officer position; as a result, there are now six graded and two ungraded posts in the Inspector General’s office.

19. The Intake Division has two sections: one in Geneva responsible for data management, the We Are All In platform, triage and reporting; and a worldwide section comprising either home-based staff or staff based at the regional investigation centres. The Intake Division will have 11 staff posts and a roster of specialist consultants to supplement staffing needs. From 1 September 2023 to 10 May 2024, the Intake Division received 1,791 allegations, of which 806 were assessed as void, leaving 985 for further assessment. Of these, 68 were predicated for investigation, 81 were referred to the Office of Legal Affairs, IOM missions, and other offices, and 17 were referred to implementing partners and other external parties, leaving 819 open cases as at 10 May 2024.

20. The Investigations Division will be decentralized, with staff located in three regional centres, and a section in Geneva for digital forensic, quality assurance, policy and legal support. The Investigations Division will have 18 staff posts, 12 consultants and an investigation firm to help address the significant workload. The Investigations Division carried forward 98 open cases on 1 September 2023, and received 86 cases for investigation by 10 May 2024. Of these, 17 were referred to the Office of Legal Affairs for possible disciplinary action, 4 were referred to other concerned offices within IOM, and 18 were closed after investigation. The remaining 132 cases are still being investigated, with 15 cases resulting in the immediate suspension of the implicated staff member. The Office's investigative activities during the reporting period led to numerous disciplinary sanctions, including dismissals, and identified financial losses due to fraud in excess of USD 300,000.

21. The Division collaborates closely with other United Nations investigative offices and donors on investigations and is revising the IOM legal framework for investigations and the disciplinary process in collaboration with other relevant divisions and units. It also contributed to the development of new guidelines on information-sharing about allegations of sexual exploitation and abuse and victim assistance and expanded its system of standard operating procedures and guidance materials.

22. The Internal Audit Division will be decentralized, with staff located in three regional centres, and a section in Geneva for the conduct of audits of offices at Headquarters and supervision. In 2023, it conducted 24 out of 26 planned engagements and advisory services: 22 risk-based audit engagements comprising audits of 19 country offices, two programmatic assessments (Afghanistan and Ukraine emergency responses) and one process assessment of IT cybersecurity and threat analysis; and two advisory services, on the development of a delegation of authority framework and the United Nations Business Operations Strategy, respectively. The Internal Audit Division has 17 staff posts, supplemented by five consultants, and continues to support several IOM initiatives related to governance, risk management and internal controls.

23. The Central Evaluation Division's transfer to the Office of Internal Oversight resulted in the establishment of a new P-5 level position overseeing decentralized evaluation functions in five regions. Evaluation staff actively participate in relevant professional groups in the United Nations system, contributing to harmonized methodologies and sharing lessons learned on risk management, cybersecurity and other key areas.

New phase of the IGF reform

24. Given the strong interest shown by Member States in consolidating the ongoing reform process and pursuing further institutional development, a new phase of the IGF reform has commenced to continue strengthening internal governance in alignment with the IOM Strategic Plan 2024–2028. This will initially focus on addressing gaps identified in the 2023 assessment report by the Multilateral Organisation Performance Assessment Network (MOPAN) and other relevant external assessments. The aim is to embed reforms within the responsible departments and offices by drawing up action plans in response to the MOPAN recommendations, which will form part of the annual departmental workplans. Each item in these workplans will be linked to the objectives, enablers

and cross-cutting priorities of the Strategic Plan, with delivery to be measured against the institutional results framework. The departmental workplans also have a section for extrabudgetary requests, which will allow the strategic allocation of resources according to institutional priorities.

Conclusion

25. 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. This dedication underscores the collaborative effort that has characterized the effective implementation of the IGF.