



IOM International Organization for Migration
OIM Organisation Internationale pour les Migrations
OIM Organización Internacional para las Migraciones

**INFORMAL CONSULTATIONS ON
BUDGETARY AND MANAGEMENT MATTERS**

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ADMINISTRATIVE SUPPORT CENTRE

IN THE WESTERN HEMISPHERE

22 June 2005

ADMINISTRATIVE SUPPORT CENTRE IN THE WESTERN HEMISPHERE

Background

1. In order to maintain effective and efficient management of resources while responding to the Organization's growing needs, the Administration continues to look for various measures to achieve further efficiencies and manage growth.
2. The decentralization process started more than a decade ago and is expanding into new approaches. The Administration has already established the administrative support centre in Manila (MAC) in order to strengthen IOM's ability to deliver core services within existing budget constraints. The experience gained from the Manila Administrative Centre is encouraging and it has proved to be a cost-effective way of allowing expansion within the constraints of limited financial resources.
3. As a next step in the process, the Administration is exploring the possibility of establishing another administrative centre, in the western hemisphere in order to:
 - further enhance IOM's cost-efficiency and responsiveness;
 - allow the Organization to better focus on strategic growth;
 - diversify and broaden the range of global opportunities;
 - provide "around-the-clock" administrative support to all Missions worldwide.
4. This document presents the results of an analysis carried out by the Administration to:
 - identify the needs and gaps (finance, administrative, human resources, information technology, etc.) in the region;
 - determine what functions can either be delocalized to or established in an administrative centre in the western hemisphere.
5. The document also outlines certain criteria based on which the Administration intends to carry out the analysis of selecting a possible location by evaluating relative advantages and disadvantages of various locations in the region.

Analysis of needs

6. A questionnaire was sent to the Missions with Regional Functions in the western hemisphere requesting their input to the analysis. Inputs were also provided by the Manila Administrative Centre, various departments and senior management at Headquarters.
7. The consolidated information presented below shows that the existing needs and gaps in the Missions and the current structure require additional centralized support in the region.

Needs and gaps in the IOM Missions of the western hemisphere

8. Identified needs and gaps of an administrative nature in the next two to five years:
 - administration and finance;
 - IT development;
 - human resources (including career development);
 - procurement;
 - staff development and learning;
 - staff security;
 - occupational health.

9. Comments on the usefulness of an administrative centre in the region and what one would expect from such a facility:
 - provide more efficient, rapid and timely finance and administrative assistance to Missions;
 - allow Missions in the region to reduce support costs and increase management/operational efficiency.

10. Comments on risk factors and disadvantages:
 - duplication/overlapping of functions between existing MRFs, SLMs, Headquarters, MAC and the new administrative centre;
 - external environment (political and economic situation, weak infrastructure in some parts of the region);
 - cost factor: costs could be higher than the ultimate benefits;
 - implications related to transfer and consolidation of current staff positions from Headquarters, the Manila Administrative Centre (MAC) and Missions in the region.

Functions that can either be delocalized to or established in an administrative centre in the western hemisphere:

- accounting control – a central facility that will do check lists of mission accounts and quality control of financial transactions;
- accounting for special programmes in the region;
- human resources support for local staff in the region;
- verification and settlement of airline invoices from the region;
- information technology hub for possible disaster recovery facility and to provide timely support to MRFs and Missions in the region;
- staff development and learning activities for the region;
- projects/funds tracking specific to the region;
- public information and outreach;
- regional focal point for internal audit.

11. It should be noted that possible risk factors and disadvantages associated with the delocalization of functions can be minimized through proper planning and management of the process. The Administration is aware of the need to avoid duplication and overlapping of functions and responsibilities and will take appropriate measures to address this in the process of identifying functions that can either be established in or delocalized to an administrative centre in the western hemisphere.

Analysis of possible location

12. There can be a number of potential factors in evaluating the suitability of a possible location to establish an administrative centre. Besides a fundamental factor that the administrative centre should be located in a Member State, the Administration identified the following additional factors to assess the relative advantage of a possible location:

Location evaluations factors	
I. Environment	<ul style="list-style-type: none"> - security - political and economic stability - overall infrastructure - full privileges and immunities
II. Human Resources	<ul style="list-style-type: none"> - workforce availability - education and language
III. Financial Structure	<ul style="list-style-type: none"> - cost-of-living - average wage of local staff - office space
IV. Outstanding contributions to the IOM Administrative Part of the Budget	<ul style="list-style-type: none"> - status of outstanding contributions to the Administrative Part of the Budget

13. One of the major factors usually considered for a possible location is the financial aspects. However, the explicit cost advantage of low wages of local staff or cost of supplies cannot override the importance of security, stable political and economic environment as well as good infrastructure.

14. Applying the evaluation criteria defined above, the Administration intends to explore several possible locations listed below in its search for an administrative centre in the western hemisphere:

- an existing **MRF/SLM in the region** (Buenos Aires, San José, Lima, Washington, D.C., New York)
- an existing **Country Mission** (Colombia, Uruguay, Chile, Mexico)

- **Panama City of Knowledge**¹ which has come to the Administration's attention because many international and United Nations family organizations (such as the United Nations Children's Fund, World Food Programme, International Federation of the Red Cross, Organization of American States, United Nations Development Programme, United Nations High Commissioner for Refugees and others) have either established their regional offices in the Panama City of Knowledge or are planning to do so.

15. It should be noted that formal expressions of interest to host an administrative centre in the western hemisphere region have recently been received by the Administration from the Governments of Panama and Uruguay.

16. In addition to the evaluation of various advantages and disadvantages based on the factors indicated in paragraph 12, the Administration will, as a further step in the process, compare the cost of a possible structure in different locations of the region.

Conclusion

17. The Administration believes that certain functions of an administrative nature delocalized to and/or established in low-cost locations will allow the Organization to better focus on the strategic aspects and delivery of cost-effective services in migration management. The Administration intends to continue exploring the possibilities of delocalization and will inform Member States of the outcome of further analysis for consideration and discussion.

¹ An international complex for education, research, and innovation, organized to promote and facilitate synergies between universities, scientific research centres, businesses and international organizations.