



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

STANDING COMMITTEE ON PROGRAMMES AND FINANCE

FIFTH SESSION

27–28 October 2009

SCPF/37
RESTRICTED

Original: English
21 October 2009

IOM'S OVERSIGHT AND EVALUATION MECHANISMS

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I. INTRODUCTION

1. At the informal consultation on Standing Committee on Programmes and Finance (SCPF) matters held on 24 September 2009, the Member States requested a presentation on IOM's oversight and evaluation mechanisms within the framework of discussions on finance and management issues. The areas to be addressed included: current mechanisms to ensure adherence to standards; procedures for assessing the relevance, performance and impact of IOM activities, policies and strategies; and how lessons learned, including those derived from collaboration with other stakeholders, are captured and incorporated into project development mechanisms and linkages to IOM's strategic objectives.

II. DEFINITIONS

2. The two notions – oversight and evaluation – encompass diversified fields of activity, tools and methodologies, not all of which are applicable to IOM's work. It is therefore important to clarify certain definitions and limitations that are relevant either because of operational specificity or financial considerations. For instance, IOM has in its terminology the notion of “service”, in particular regarding its resettlement programmes, for which audit and financial control are more appropriate than evaluation, while financial limitations and the lack of resources are reducing the opportunities for conducting impact evaluations as defined by internationally accepted references and standards.¹

3. Oversight is a broad notion and can include numerous functions and mechanisms. Oversight can be defined as *a key activity of the governance and management of an organization, which ensures that an organization and its component units perform in compliance with legislative mandates and policy, with full accountability for its finances, as well as for the efficiency, effectiveness and impact of its work, with adherence to standards of professionalism, integrity and ethics, while adequately managing and minimizing risk.*² Oversight can be internal and/or external, but in either case its primary principle is the separation of duties, when internal between IOM senior management and the Office of the Director General and when external between the executive management and the governing bodies. Oversight then cascades down to lower management levels and operational activities.

4. Oversight (internal and external) includes the main functions of investigation, inspection, audit and evaluation, but also control mechanisms, such as quality and financial controls, monitoring, risk assessments and fraud prevention. In IOM, the main functions for internal oversight are grouped under the Office of the Inspector General (OIG), while guidelines and instructions on quality and financial controls, fraud prevention and risk management are issued by the Department of Resources Management, generally in close collaboration with the Office for Legal Affairs and the OIG. External oversight is mainly the responsibility of the External Auditor, but specific external investigations, external audits and external evaluations are conducted at the operational level, often in close coordination with donors and/or external stakeholders.

¹ See, for instance, the OECD/DAC Glossary, the UN Evaluation Group (UNEG) Norms and Standards, or the IOM Evaluation Guidelines.

² UNEG, Final Report of the UNEG Evaluation and Oversight Working Group, 2007.

5. Investigation is a legally based, analytical process designed to gather information in order to determine whether wrongdoing has occurred and, if so, to identify the persons or entities responsible. It pursues reports of fraud, corruption, misconduct and any other irregular activity requiring corrective management, administrative measures and, if necessary, prosecution and disciplinary action. Investigations can be conducted by the OIG, but also by other departments and Field Offices, depending on the cases to be investigated.
6. Inspection is a special on-the-spot assessment directed towards the resolution of problems which may or may not have been previously identified. In some cases inspection is used as a generic term covering investigative, audit and evaluation approaches, as in IOM, where they are grouped under the OIG.
7. Audit includes a wide variety of activities, types and methodologies. Two main functions are considered in IOM's audit work: internal audit, which is a function of the OIG, and external audit, which falls under the responsibility of an entity selected and appointed by the IOM Council. Both are governed by the IOM Financial Regulations, respectively Article 10(d) and Article 12. The internal audit reviews the conformity of a financial or management activity to predetermined standards and criteria. It also assesses the Organization's internal control systems and reviews the risk exposure and risk management of IOM activities. It further has an advisory role in relation to management, so as to enhance the achievement of the Organization's objectives. The External Auditor reports to the Council through the SCPF and the Executive Committee. The External Auditor's main task is to examine and audit IOM's annual financial statements and to report whether they present fairly the Organization's financial position at the end of the financial year and the results of the operations for that year. IOM Offices and departments may hire the services of an audit firm to perform a specific external audit at the request of a donor or in the framework of a project. This activity is not related to the work of the External Auditor. The various types and methodologies of audits used by IOM are: system audits (for auditing IT systems, for instance), financial and compliance audits (used by IOM internal auditors), and performance and management audits, which examine the general management effectiveness and policy of the Organization, respectively (for instance, the External Auditor's current review of IOM administrative centres).
8. Evaluation in IOM is defined as the *systematic and objective assessment of an ongoing or completed project, programme or policy, its design, implementation and results. The aim is to determine the relevance and fulfilment of objectives, development efficiency, effectiveness, impact and sustainability. Evaluation also refers to the process of determining the worth or significance of an activity, policy or programme.*³ Evaluation is a broad concept and other definitions can also properly describe what the term covers. The UN Evaluation Group Norms adopted by IOM define evaluation as *an assessment, as systematic and impartial as possible, of an activity, project, programme, strategy, policy, topic, theme, sector, operational area, institutional performance, etc. It focuses on expected and achieved accomplishments, examining the results chain, processes, contextual factors and causality, in order to understand achievements or the lack thereof.* The variety of evaluation approaches is also well illustrated by its numerous types and methodologies, each of them adapted to specific situations and evaluation objectives.

³ Functions of the Office of the Inspector General, IOM, 2006.

9. Evaluation is also a specific function of the OIG, which sets the general standards and develops the methodology for evaluating programmes and project management processes throughout the Organization. It is also expected to promote thematic and strategic evaluations of IOM policies, strategies and/or programmes, the use of evaluation recommendations in policy and programme formulation and the inclusion of an evaluation component in IOM programmes and projects, and to reinforce partnership with bilateral donors and multilateral organizations as well as participation in evaluation networks.

10. Another oversight function of the OIG is the rapid assessment function, a systematic and objective comparison of performance against plans in a single activity, examining the prevailing situation of a project or organizational unit and giving an independent opinion on the project's or organizational unit's current status. The methodology is closely related to that of evaluation, but tailored and condensed in relation to the nature of the activity. When covering projects, it can be considered as a monitoring tool designed to assist project management during implementation. As for evaluation, rapid assessments can also be part of learning processes for project development and used by IOM Field Offices and Headquarters departments in charge of project endorsement.

III. IOM'S OVERSIGHT AND EVALUATION ROLE

11. As can be noted throughout the previous section, the notion of oversight is broad and each function, activity or tool listed has a number of specificities and a proper way of functioning. For instance, issuing instructions and guidelines on fraud prevention, quality control, risk management, evaluation and project development to guide Field Offices and Headquarters departments can be done in relative isolation. However, their enforcement for the effective and successful management of the Organization requires collaborative efforts and synergies between the different managers of those "oversight products" and their users. The same applies to audit and evaluation work, which is often done in isolation in order to guarantee a certain level of independence, but for which the content of the report deserves to be seen not only in terms of accountability but also in terms of lessons learned. Effective management is not only a question of structure and definitions of roles concerning who does what and why, but is more importantly about a philosophy of work where continuous improvement, openness to criticism and higher degrees of effectiveness are seen as being at the centre of those functions.

12. The OIG functions use internationally accepted standards and work with well-established mechanisms to report to the Office of the Director General and for subsequent decision-making procedures. However, improvements in the use of those functions is always possible, not only because IOM is changing, but also because the notions of audit and evaluation are evolving. As previously mentioned, IOM's services are mainly covered by audits, with evaluation not being adapted to this type of activity; however, an evaluative approach could be reinforced using, for instance, new trends for performance audits. The appointment of a new External Auditor this year will also provide a good opportunity to discuss options for increased collaboration with the internal audit and to examine joint activities, particularly fraud prevention, controls or risks assessments.

13. Project and programme performance should be systematically examined through evaluations, whether internal or external, and the lessons learned should be integrated into project development processes. However, funding limitations when developing projects, the

short duration of many projects (six months or one year) and the scant core resources allocated to evaluation in the Administrative Part of the Budget can prevent the full implementation of such standards. More thematic, strategic and process evaluations would deserve to be conducted in IOM, especially taking into account its capacity to innovate, in order to increase its strategic focus and keep Member States informed on such important issues. However, such evaluations require important financial resources that cannot be made available with current budget constraints or without a commitment from Member States to allocate specific resources for such functions.

14. On the other hand, conducting and using evaluation also requires a strong commitment from IOM senior management and a positive evaluation culture inside the Organization. Progress has been made during the last decade, but more can be done; the same applies to integrating lessons learned into policy formulation and project development. The current process of reviewing the organizational structure is intended to reinforce a more coherent approach to IOM's work in which evaluation can play an important role. Additional resources in Regional Offices could also contribute to improved controls, increased training on oversight issues for Field Offices and greater synergies and collaboration between various Headquarters and field entities.