

STANDING COMMITTEE ON PROGRAMMES AND FINANCE

Nineteenth Session

**IOM MANAGEMENT RESPONSE TO THE
EVALUATION OF THE MIGRATION EMERGENCY FUNDING MECHANISM
(2012–2015)**

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Background

1. The Administration welcomes the evaluation of the Migration Emergency Funding Mechanism (MEFM) conducted by the Office of the Inspector General and which covers the first three years of its effective implementation. The establishment of MEFM through Council Resolution No. 1229 of 5 December 2011 has brought a degree of much-needed flexibility and predictability to IOM's ability to respond to the mobility dimensions of crises, with the Mechanism being regularly and increasingly used across multiple settings at the initial stage of crisis response, ahead of the receipt of donor contributions earmarked for specific emergency operations. MEFM has thus enabled the Organization to undertake timely relief activities that have helped to save thousands of lives.

2. While MEFM was created with an initial funding target of USD 30 million, to date only USD 11.2 million has been contributed to the Mechanism by a total of 12 Member States, resulting in a significant funding gap, which is not likely to be bridged in the near future. MEFM was established as a loan mechanism, and its subsequent replenishment has sometimes proven difficult, particularly in instances where funds have been used to undertake international evacuation movements. This points to a need to review the Mechanism's operating modalities.

General findings of the evaluation

3. The Administration supports the findings of the full report produced by the Office of the Inspector General, entitled Evaluation of the Migration Emergency Funding Mechanism (MEFM) (2012–2015). The Administration is committed to ensuring stronger adherence to the operating modalities of MEFM, as outlined in Resolution No. 1229 and related documents, including in regard to reporting requirements and the withdrawal of resources for use in IOM relief operations.

4. The Administration agrees that clarification is required as to the type of IOM emergency operations that would be eligible for funding support through MEFM. In this regard, the Administration agrees that the wording of Resolution No. 1229 and that of document MC/2335 may lead to differing interpretations of the eligibility criteria. In particular, the reference to "emergency operations" in operative paragraph 1 of Resolution No. 1229 is less restrictive than the reference to "emergency needs related to international transport" made in paragraph 19 of document MC/2335. The Administration is of the view that flexibility needs to be retained in allocating resources from MEFM. To this end, the Administration wishes to continue to make use of the Mechanism in support of life-saving activities which fall within the purview of the Migration Crisis Operational Framework approach, as endorsed by IOM Member States, rather than limiting its scope to international transport operations. Such an interpretation will enable the Organization to continue to respond to the mobility dimensions of crises in a comprehensive manner.

5. Similarly, the Administration wishes to apply flexibility in defining the time frame during which a crisis response remains eligible for MEFM support. Such an approach is required given the current operational environment in which IOM delivers emergency assistance, with multiple contexts marked by protracted situations of conflict and displacement,

which may experience a sudden worsening of conditions, calling in turn for a surge in IOM support. This situation is in contrast to sudden-onset disasters, which may present a time frame that is easier to identify, yet constitute a relatively small proportion of IOM operational settings at present.

6. The Administration wishes to underline that operations aimed at delivering emergency relief to internally displaced populations benefit from the highest repayment rates, whereas evacuation operations, such as those carried out in such contexts as Yemen and the Central African Republic, have received a much lower level of contributions from the donor community, resulting in significant outstanding loans.

7. Failure to identify resources to repay outstanding MEFM loans is often the result of donor reluctance to support activities that have already taken place before the conclusion of a contribution agreement. This is sometimes a matter of policy for donors, making it difficult for IOM to negotiate more flexible funding modalities with donors that primarily fund IOM through contributions earmarked for specific activities. A major factor hampering the identification of donor resources to repay evacuation operations is the high per capita cost associated with such movements, which often take place by air, particularly when compared with the cost of delivering aid to displaced populations in situ. As a result, humanitarian donors tend to direct their assistance to other populations in need of emergency assistance.

Specific recommendations of the evaluation

8. The Administration acknowledges the need to undertake more regular and robust consultations with Member States on the operating modalities of MEFM, including some of the challenges faced in repaying MEFM disbursements and in interpreting the eligibility criteria. To this end, the Administration proposes that a report on the use of the Mechanism be presented to the Standing Committee on Programmes and Finance once a year.

9. The Administration wishes to reiterate its commitment to strict adherence to the guidelines that govern the release of MEFM resources, in particular the need to justify such use through an appropriately documented written application to be channelled to the Director General through the Department of Operations and Emergencies and the Department of Resources Management.

10. The Administration will revisit the issue of the administrative costs associated with managing the Mechanism. The original intention was to keep the administrative duties connected with managing MEFM to a minimum, and thus to avoid burdening the Mechanism with excessive administrative costs. These costs and a means of funding them will be determined and proposed.

11. The Administration agrees to the creation of an interdepartmental task force in order to review the status of outstanding MEFM disbursements, and identify ways to mitigate risks associated with diminishing available MEFM resources due to the non-repayment of existing loans.

Conclusions

12. The establishment of MEFM has been a critical component of IOM's efforts, over the past three years, to improve institutional capacity to respond to the mobility dimensions of crises. Multiple measures have been taken in parallel with the creation of the Mechanism, including the operationalization of the Migration Crisis Operational Framework approach, the development of rapid response capacity and the reinforcement of IOM's core commitments to humanitarian action. These steps have collectively contributed to strengthening IOM's credibility and predictability in this important area of the Organization's work. Continued and effective use of MEFM is of paramount importance to the roll-out of timely and effective operations, in support of the millions of people affected by crisis who rely on IOM assistance.

13. The considerable growth of IOM emergency programming in recent years, together with renewed emphasis by the international community on improved humanitarian action, as evidenced by the outcomes of the World Humanitarian Summit and the recently adopted Grand Bargain on humanitarian financing, calls for a review of the MEFM operating modalities, in relation to eligibility criteria, as well as the manner in which resources contributing to MEFM are identified. The Administration proposes to review the practices of similarly sized humanitarian agencies, funds and programmes that have established similar funding mechanisms, and will then solicit the views of Member States on potential adjustments to the modalities of the Mechanism.