



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

**INFORMAL CONSULTATIONS
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**PREVIEW OF 2012 FINANCIAL RESULTS AND THE REVISION OF
THE PROGRAMME AND BUDGET FOR 2013**

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PREVIEW OF 2012 FINANCIAL RESULTS AND THE REVISION OF THE PROGRAMME AND BUDGET FOR 2013

1. This document provides a preview of the 2012 financial results and of the Revision of the Programme and Budget for 2013.

2012 FINANCIAL RESULTS

2. Expenditure for the administrative and operational programmes reached USD 1.24 billion, representing a 5.3 per cent decrease compared with the 2011 result of USD 1.31 billion.

Expenditure	2012 USD million
Administrative programme	42.4
Operational programmes	1 197.4
Total expenditure for the year	1 239.8

3. IOM received an opinion from the Comptroller and Auditor General of India, stating that the financial statements and related notes and other disclosures give a true and fair view of the financial position for the year ended 31 December 2012 in full compliance with the International Public Sector Accounting Standards (IPSAS).

Administrative programme

4. The administrative programme remains a very small part of total expenditure, accounting for only 3.4 per cent of consolidated expenditure in 2012.

5. Total outstanding assessed contributions being higher than the previous year, the provision for doubtful receivables was increased in 2012 by CHF 758,864. The total outstanding assessed contributions requiring a provision increased to CHF 6,110,385.

6. Assessed contributions for the 2012 administrative programme totalled CHF 39,400,092. Expenditures were CHF 38,988,427 resulting in an under-expenditure of CHF 411,665. After absorbing the increase in the provision for doubtful receivables of CHF 758,864, the administrative programme ended with a deficit of CHF 347,199 (budgetary basis).

Operational programmes

7. The Summary update on the Programme and Budget for 2012 (MC/2348) estimated expenditure of USD 1,216 million at that time. Actual expenditure under the operational programmes was USD 1,197.4 million, USD 18.6 million lower than that budget estimate.

8. The operational programmes ended in 2012 as follows:
- (a) A carry-forward relating to the staff security mechanism of USD 6.3 million, slightly below last year's level of USD 6.7 million;
 - (b) An increase in the Operational Support Income reserve, bringing the balance to USD 14.3 million compared with a balance of USD 10.6 million in the prior year.

9. Using the formula adopted by the Member States to estimate the level of Operational Support Income on the basis of a three-year average, Operational Support Income was budgeted for the year at USD 46.7 million. Actual Operational Support Income was significantly higher at USD 57.4 million. This surplus was primarily due to higher than budgeted project-related overhead.

10. In compliance with Executive Committee Resolution No. 134, the Operational Support Income surplus is credited to the Operational Support Income reserve after: (a) applying the provisions relating to the IOM Development Fund and the staff security mechanism; and (b) covering any unbudgeted and unforeseen shortfalls. Based on these criteria, the additional Operational Support Income of USD 10.7 million has been applied as follows:

- USD 2.4 million was allocated to support developing Member States and Member States with economies in transition under the IOM Development Fund (Line 2) for use in 2013.
- USD 2.8 million was applied to unforeseen and unbudgeted shortfalls arising during the course of project implementation. These shortfalls included project deficits, most notably in the Democratic Republic of the Congo, as well as various other co-funding needs and unforeseen costs that required coverage.
- USD 0.5 million was applied to unbudgeted core structures and Field support, including bridging funds for Country Offices.
- USD 1.8 million was applied to the staff security mechanism.
- The balance of USD 3.2 million was added to the Operational Support Income reserve.

REVISION OF THE PROGRAMME AND BUDGET FOR 2013

11. The Revision of the Programme and Budget for 2013 provides an update and includes all programmes and projects that have been started or revised since the Programme and Budget for 2013 (MC/2349) was approved by the Council in November 2012.

Administrative Part of the Budget

12. The Administrative Part of the Budget has been increased from the original approved level of CHF 39,398,792 to CHF 39,495,629. The sources and proposed application of the increase of CHF 96,837 which are governed by the provisions of Executive Committee Resolution No. 134 of 3 July 2012 (Budget processes and mechanisms) are outlined below:

- CHF 3,861 from assessed contributions from the new Member States that joined the Organization in November 2012, namely Myanmar, Papua New Guinea and Saint Vincent and the Grenadines;
- CHF 1,300 from the assessed contribution of South Sudan following the adoption of its assessment scale by the United Nations in December 2012;
- CHF 91,676 from surplus on the 2011 Administrative Part of the Budget, which is less than 1 per cent of the total budget.

13. It is proposed that the above-mentioned funds totalling CHF 96,837 be used for the Organization's preparations for the United Nations High-level Dialogue on International Migration and Development scheduled to take place in October 2013. The recent adoption of Council Resolution No. 1244 of 27 November 2012 (IOM and the United Nations High-level Dialogue on International Migration and Development in 2013) underscores the importance of this milestone debate.

Assessment scale

14. The total number of Member States has increased to 149 with the admission of the three new Member States by the Council in November 2012. The scale of assessment and contributions has therefore been revised and now adds up to 100.0131 per cent.

Operational Part of the Budget

15. The Operational Part of the Budget is based on anticipated funding and is currently estimated at USD 1,018.2 million. This represents an increase of USD 375.5 million compared with the original 2013 budget of USD 642.7 million. The increase is due to expanding project activity in a range of areas, including Emergency and Post-emergency Operations Assistance; Return Assistance for Migrants and Governments; Migration and Economic/Community Development; Counter-trafficking; and Immigration and Border Management.

16. Based on the level of activities, the projected overhead income at this stage is USD 41.2 million, which is close to the established target of USD 44.8 million. An additional USD 3.6 million of overhead income is required to reach the target.