



## EIGHTH ITEM ON THE AGENDA

**Use of the 2000-01 surplus**

1. At its 285th Session (November 2002) the Governing Body approved proposals on allocations of the 2000-01 surplus under the authority that had been delegated to it by the International Labour Conference.<sup>1</sup> In the discussion on the 2000-01 surplus,<sup>2</sup> the Office committed itself to provide financial information and the results framework for all new allocations in the format used in Appendix III of GB.285/PFA/9.
2. In keeping with this commitment, this document provides financial information and the results-based framework for all new allocations made under the 2000-01 surplus since last reported in November 2002. The information is provided in three appendices. Appendix I provides an overview of the allocations made under the 2000-01 surplus as at 30 September 2003. Appendix II provides a summary of procedures developed by the Office to ensure that proposals are approved in observance of the criteria set out in Appendix II of GB.285/PFA/9. Appendix III contains information on the results-based framework for all new allocations. In most cases, the newly approved work items were developed by further refining those proposals previously reported as being under development.
3. The Programme Implementation Report submitted in March of each year will provide information on the implementation of work funded by the 2000-01 surplus. The report will highlight some milestones reached by surplus-funded projects and, moreover, will describe the “value-added” of surplus funding to ongoing work under the programme and budget.

Geneva, 1 October 2003.

*Submitted for information.*

<sup>1</sup> *Provisional Record*, No 19, International Labour Conference, 90th Session, Geneva, 2002.

<sup>2</sup> GB.283/9/1; GB.285/10/1.

## Appendix I

| Item   | Approved resources | Reported in GB.285/PFA/9 |                   | New allocation as of 30.09.03 | Total resources already allocated | Under development as of 30.09.03 |
|--|--------------------|--------------------------|-------------------|-------------------------------|-----------------------------------|----------------------------------|
|  |                    | Already allocated        | Earmarked         |                               |                                   |                                  |
| World Commission on the Social Dimension of Globalization    | 2 800 000          | 2 800 000                | –                 | –                             | 2 800 000                         | –                                |
| International labour standards                               | 2 900 000          | 111 590                  | 759 950           | 315 498                       | 1 187 038                         | 1 712 962                        |
| Response to crisis and emergencies                           | 8 000 000          | 2 586 000                | 3 415 000         | 901 903                       | 6 902 903                         | 1 097 097                        |
| Security and safety of staff                                 | 3 450 000          | 1 750 000                | 1 500 000         | 200 000                       | 3 450 000                         | –                                |
| Management challenges  | 6 000 000          | –                        | 1 930 000         | –                             | 1 930 000                         | 4 070 000                        |
| Regional services  | 10 000 000         | 100 000                  | 2 123 000         | 2 459 000                     | 4 682 000                         | 5 318 000                        |
| Statistics   | 2 000 000          | 477 000                  | 523 000           | –                             | 1 000 000                         | 1 000 000                        |
| Gender equality  | 2 000 000          | –                        | 965 000           | 300 000                       | 1 265 000                         | 735 000                          |
| External communications                                      | 3 500 000          | 303 736                  | 2 148 300         | –                             | 2 452 036                         | 1 047 964                        |
| Tripartism and social dialogue (new item)                    | 2 900 000          | –                        | –                 | 504 600                       | 504 600                           | 2 395 400                        |
| <b>Subtotal</b>  | <b>43 550 000</b>  | <b>8 128 326</b>         | <b>13 364 250</b> | <b>4 681 001</b>              | <b>26 173 577</b>                 | <b>17 376 423</b>                |
| Transfer to Building and Accommodation Fund <sup>1</sup>     | 2 750 000          | 2 750 000                | –                 | –                             | 2 750 000                         | –                                |
| Transfer to Information Technology Systems Fund <sup>1</sup> | 5 000 000          | 5 000 000                | –                 | –                             | 5 000 000                         | –                                |
| <b>Total</b>   | <b>51 300 000</b>  | <b>15 878 326</b>        | <b>13 364 250</b> | <b>4 681 001</b>              | <b>33 923 577</b>                 | <b>17 376 423</b>                |

<sup>1</sup> Use of resources in the Building and Accommodation Fund and the Information Technology Systems Fund is subject to the approval of the Governing Body.

## Appendix II

### Summary of procedures for approval

In keeping with commitments made<sup>1</sup> that no expenditure would be incurred without the prior approval of the Director-General, and furthermore, that “criteria set forward in paragraph 2 of the paper in Appendix II would be rigorously applied”<sup>2</sup> the Office has established a strict approval process with explicit appraisal criteria. It involves the following steps.

#### **1. Submission**

Responsible units, after consultation with constituents and relevant programmes at headquarters and in the regions, submit a project proposal providing background, problem analysis, project description (objectives, results, strategy, target group, risks and assumptions), and implementation arrangements. These proposals also include a standardized form that requires summary information on: (1) how the project will respond to new demands and opportunities; (2) the time frame for implementation; (3) the budget; (4) the results-based framework; and (5) project milestones against which the project targets will be measured and progress reported.

#### **2. Project appraisal**

All significant aspects of the proposal are reviewed by the Bureau of Programming and Management, which consults the preparing unit and others concerned. Appraisal criteria are based on those set out in GB.285/PFA/9. These include relevance to the social partners and national priorities, technical and financial feasibility, presence of a sound performance management framework, coherence and integration of the proposal to ongoing work under the regular budget and extra-budgetary resources.

#### **3. Adjustments/finalization**

Proposing units make adjustments to their proposals according to appraisal results.

#### **4. Consideration by the Director-General**

Proposals are considered by the Director-General for funding. Additional adjustments to proposals may be required before approval.

#### **5. Documentation and reporting**

After approval, responsible units are required to report: (a) every six months on project expenditure; and (b) annually on their milestones. These are then checked against the original proposals to assess progress.

Results will be reported each year in the Programme Implementation Reports (March sessions of the Governing Body).

<sup>1</sup> GB.283/PFA/2/2.

<sup>2</sup> GB.285/10/1.

## Appendix III

### Results-based information for new allocations under the 2000-01 surplus

This appendix describes the results-based framework for new allocations. The Programme and Budget for 2004-05 reports on complementarities and coherence between the regular budget, extra-budgetary resources and surplus-funded work. References are made to the relevant passages under each item below. Information on project milestones will be provided in the Programme Implementation Reports submitted in March of each year.

Where no new allocations were made, the item is not listed.

#### *International labour standards*

Objectives, indicators and targets were provided in GB.285/PFA/9.

#### New targets and allocations

- Target: Regional promotion: Inputs from constituents worldwide are fully reflected in the report for the 2004 ILC general discussion on migrant workers based on an integrated approach.
- Allocation: US\$315,498.
- Time frame: To be completed by June 2004.

#### References to the Programme and Budget for 2004-05

- Paragraphs 158-159, text box after paragraph 159.

#### *Response to crisis and emergencies*

Objectives, indicators and targets were provided in GB.285/PFA/9.

| New targets and allocations   | Time frame | Allocation in US\$ |
|---|------------|--------------------|
| <b>Africa</b>   |            |                    |
| Somalia: Strategies developed and implemented for economic recovery, employment creation and decentralization in Somalia. The project will cover the north-west region, Puntland, and Mogadishu and it will involve local capacity development and local economic development forums in preparation for a larger (donor-financed) Local Economic Development and Employment-Intensive Infrastructure Programme. | End 2004   | 208 903            |
| <b>Asia</b>   |            |                    |
| Afghanistan: Constituents develop a framework for rural enterprise development and alternative livelihoods with ILO assistance; a project for skills development in microfinance funded projects implemented with the participation of constituents and stakeholders.   | End 2004   | 474 000            |
| Solomon Islands: Additional employment opportunities created through rehabilitation of industries at risk and identification of emerging industries.  | Mid-2004   | 126 000            |
| <b>Europe</b>   |            |                    |
| Turkey: Improving employment services in the crisis-ridden province of Kocaeli to establish labour market policies that aim at decreasing the level of unemployment caused by economic crises and restructuring, including privatization, through assessment of labour market needs at the provincial level and training. The project seeks the involvement of all social partners.                             | End 2004   | 93 000             |

References to the Programme and Budget for 2004-05

- Applying post-crisis reconstruction policies: text box after paragraph 194 (Afghanistan, Solomon Islands and Somalia).
- Applying labour-market policies: paragraph 181 (Turkey).

**Security and safety of staff**

Objectives, indicators and targets were provided in GB.285/PFA/9. An additional allocation has been made towards these targets to develop and disseminate staff training materials, and complete staff training.

Allocation: US\$200,000.

Time frame: To be completed by 30 June 2003.

References to the Programme and Budget for 2004-05

- Paragraph 301.

**Regional services**

Objectives, indicators and targets were provided in GB.285/PFA/9.

| New targets and allocations  | Time frame | Allocation in US\$ |
|--|------------|--------------------|
| <b>Africa</b>  |            |                    |
| Regional: Enhanced field capacity to develop quality proposals in the context of Jobs in Africa.   | End 2004   | 100 000            |
| Regional: In support of regional integration, new rules and regulations developed on the function of the tripartite commission of the Africa Union (AU); social policy framework for Africa developed. | End 2003   | 120 000            |
| <b>Americas</b>  |            |                    |
| Ecuador, Peru and Venezuela: Workers' organizations strengthened in social dialogue and negotiation process.   | End 2004   | 112 000            |
| Regional: Regional network established for the promotion of social dialogue and decent work within the academic community.   | End 2004   | 60 000             |
| <b>Asia</b>  |            |                    |
| China: Policies for decent work are adopted and implemented in China. The project is composed of several components. Key milestones include:   |            |                    |
| – strategies in place for an integrated programme on decent work in China;   |            |                    |
| – substantial progress made towards the ratification and application of C.29, C.81, C.105 and C.111;   |            |                    |
| – enhanced employment opportunities for all (including disabled, self-employed, laid-off workers and women entrepreneurs) to gain decent employment and income;  |            |                    |
| – strategies developed to extend health, pension and unemployment insurances to urban informal economy workers, and pension insurance to rural populations;  |            |                    |
| – national policies on OSH and conditions of work strengthened, with special emphasis on hazardous occupations;  |            |                    |
| – structures and methodology to promote collective bargaining and sound workplace labour relations established.  | End 2004   | 820 000            |
| Subregional: Integrated approaches to decent work developed for Bangladesh, India and Sri Lanka. Each country will follow its unique processes but the following remains common:                       |            |                    |
| – consultation with constituents and collection of data for decent work benchmark indicators;  |            |                    |
| – developing an action plan;   |            |                    |
| – establishing a monitoring and reporting system.  | End 2004   | 447 000            |

| New targets and allocations  | Time frame | Allocation in US\$ |
|--|------------|--------------------|
| Subregional: Integrated approaches to decent work developed for Indonesia, Pacific Island countries and the Philippines. Milestones include: <ul style="list-style-type: none"> <li>- decent work deficit analysis conducted;</li> <li>- national plans of action for decent work prepared;</li> <li>- monitoring and evaluation framework defined;</li> <li>- progress shared and discussed at a high-level regional tripartite forum.</li> </ul> | End 2004   | 300 000            |
| <b>Europe</b>  |            |                    |
| Central and Eastern Europe and Baltic States: Policy and pilot programmes ensuring labour market flexibility and employment security are implemented based on tripartite consensus. Country reports on labour market flexibility and employment security will be developed and national tripartite seminars on "flexicurity" will be completed. An intermediary subregional report will be completed for the European regional meeting in 2004.    | End 2004   | 400 000            |
| North-west region of the Russian Federation: Poverty reduction, employment promotion and local economic development. The project will provide the working poor better access to the labour market, decent incomes, training and retraining for the development of new skills, and safe working conditions.   | End 2005   | 100 000            |

### References to the Programme and Budget for 2004-05

- Standards and fundamental principles and rights at work: paragraphs 143-144.
- Employment policy support: text box after paragraph 175 (Jobs in Africa, China).
- Knowledge, skills and employability and employment creation: text boxes after paragraphs 175, 183 and 189 (China).
- Social security and labour protection: paragraph 211, text box after paragraph 226 (China).
- Social partners: paragraph 246 (China).
- Expanded use of social dialogue: paragraph 262, text box on extra-budgetary resources after paragraph 262 (Africa regional, Ecuador, Peru, Venezuela).
- Integrated policies for decent work: text box after paragraph 271 (Americas regional, Bangladesh, China, India, Indonesia, Pacific Island countries, the Philippines, Sri Lanka, Central and Eastern Europe and Baltic States, and north-west region of the Russian Federation).

### **Gender equality**

Objectives, indicators and targets were provided in GB.285/PFA/9.

### New targets and allocations

**Targets:** Brazil, Chile, Ecuador, Nicaragua and Honduras: Institutional capacity of social partners strengthened to mainstream gender in national programmes for decent work and poverty reduction strategies. Gender assessments (audits), capacity building and gender equality issues will be used to assist constituents to integrate a gender dimension in the definition and implementation of policies, strategies and action programmes on poverty reduction and employment creation.

**Allocation:** US\$300,000.

**Time frame:** To be completed by June 2004.

### References to the Programme and Budget for 2004-05

- Gender equality: text box after paragraph 282.

## ***Tripartism and social dialogue***

### Objective

The ILO's social partners are better able to participate and influence key social and economic policy processes.

### Indicators

Global compact: The ILO contributes to the Global Compact through increased participation by employers' and workers' organizations in the regions.

Informal economy: Employers' and workers' organizations provide increased representation and services to the informal economy.

Poverty Reduction Strategy Papers: Employers' and workers' organizations participate in and influence national PRSP processes.

### New targets and allocations

Targets: Workers' and employers' organizations are able to provide services to support the implementation of the Global Compact. National promotional meetings will be held in at least three countries involving employers' organizations for 2003. Guidelines will be established for trade unions to assist in collection of best practice examples on trade union participation in the Global Compact in 2003.

Allocation: US\$504,600.

Time frame: To be completed by June 2005.

### References to the Programme and Budget for 2004-05

- Text box after paragraph 247.