



FOR DECISION AND INFORMATION

NINTH ITEM ON THE AGENDA

International Training Centre of the ILO, Turin

(b) Report of the 68th Session of the Board of the Centre (Turin, 2-3 November 2006)

1. The 68th Session of the Board of the International Training Centre of the ILO was held in Turin on 2 and 3 November 2006.
2. The Centre's report, which is attached to this document, is submitted to the Programme, Financial and Administrative Committee in accordance with the Governing Body's decision at its 222nd Session (February-March 1983).¹
3. *In the light of the foregoing and of the recommendations of the Centre's Board, the Programme, Financial and Administrative Committee is invited to:*
 - (a) *recommend to the Governing Body of the ILO that it amend Article VI.2 of the Statute of the Centre, effective 1 January 2008, as indicated in paragraph 9 of document CC 68/2/Add.1 ("Amendments to the Statute of the Centre, the Financial Regulations and the financial rules. Introduction of the euro for budgeting, accounting and reporting at the Centre"), approved and formally recommended by the Board of the Centre;*
 - (b) *inform the Governing Body of any comments that it might wish to make on the amendments to the Financial Regulations recommended in paragraph 9 of document CC 68/2/Add.1 ("Amendments to the Statute of the Centre, the Financial Regulations and the financial rules. Introduction of the euro for budgeting, accounting and reporting at the Centre") and approved by the Board of the Centre;*

¹ Document GB.222/10/31, para. 46.

- (c) inform the Governing Body of any comments that it might wish to make on the amendments to the Financial Regulations proposed in paragraph 5 of document CC 68/2/Add.2 (“Amendment to Articles 7 and 17 of the Financial Regulations – Net financial surplus”) and approved by the Board of the Centre;*
- (d) take note of document CC 68/6/b (“2007-2011 Development Plan”) approved by the Board of the Centre and of the comments of the Board’s members recorded in the attached report;*
- (e) recommend to the Governing Body of the ILO that it take note of the decision of the Board of the Centre to approve the proposals, investment plan and financing.*

Geneva, 7 November 2006.

Point for decision: Paragraph 3.

Appendix

Report of the 68th Session of the Board of the Centre (Turin, 2-3 November 2006)

1. *The Chairperson, Ms. Maria-Angelica Ducci*, in the name of the Chairperson of the Board and Director-General of the ILO, Mr. Somavia, who, due to long-standing commitments, was unfortunately not able to be present, welcomed the members to the 68th Session of the Board, especially those who were attending for the first time. In the name of the Board, she welcomed Mr. Eyraud, recently appointed Executive Director of the Centre, and wished him all success at the head of this institution which, as the training arm of the ILO, had acquired great credibility among different audiences. As the ILO Governing Body had done at its 295th Session, the Chairperson expressed his warmest thanks to the previous Director, Mr. Trémeaud, for the work accomplished since 1989. She then expressed her renewed appreciation for the work done by Ms. Sasso-Mazzufferi, who, as Vice-Chairperson of the Employers' group, had contributed to the Centre's good reputation. She welcomed the presence of her successor, Mr. Renique, and thanked him for his contribution to the preliminary discussions on the Development Plan and for his commitment to the Centre. In the name of the Chairperson of the Board, she expressed her gratitude to the Italian Government, to the Piedmont Region and to the City of Turin for their constant support.

I. Director's report on the activities of the Centre in 2005-06 and perspectives for 2007. Report on the implementation of the programme and budget for the current financial year (2006), and programme and budget proposals for the 2007 financial year (First and second items on the agenda)

2. *The Chairperson* proposed dealing with the first and second items on the agenda and examining the documents concerned together. She invited the representatives of the Piedmont Region and the City of Turin to speak.
3. *The representative of the City of Turin, Mr. Dell'Utri*, thanked the Chairperson and welcomed the members of the Board in the name of the City of Turin and of the Mayor, Mr. Chiamparino, who regretted he could not be present. He reiterated the city's commitment and the importance of the Centre's presence in Turin, which contributed to its international reputation. With a contribution from the city, the Centre had renovated part of its facilities in time for the Olympic Winter Games in Turin. In addition, the city had decided to allocate an additional 500,000 euros a year for the next three years for the upkeep of its facilities. He mentioned the constant cooperation between the Centre and the city, manifest in studies in the field of international cooperation and international relations, and in the awarding of scholarships in international law and peacekeeping. For the future, he stated that the city appreciated the growing recognition of the Centre at both local and international levels, and suggested holding open days each year so that the inhabitants of Turin might better appreciate the international dimension which the Centre gave the city. The recent visit by the President of the Republic of Italy had helped to boost the Centre's visibility. Lastly, he pointed out that the Centre was unique in Europe and that greater European cooperation should be envisaged.

4. *The Chairperson* thanked the representative of the City of Turin for its excellent collaboration and repeated support, and was pleased with the good prospects for the future. She added that the city's skill in handling the recent events had helped to raise the visibility of the Centre, which was a centre of excellence in training that represented the ILO in Turin.
5. *The representative of the Piedmont Region, Mr. Giorgio Garelli*, welcomed the members of the Board in the name of the President, Ms. Mercedes Bresso. The region attached particular importance to the presence of the Centre in Turin. Its commitment had been strengthened, particularly through Regional Law No. LR13/2003, which had come into force in 2003. He pointed out that the Centre's presence contributed to the development of local institutions, and reiterated the region's support for the Centre's Development Plan. He ended by thanking the Centre and its staff for their excellent collaboration with the region.
6. *The Chairperson* thanked the Piedmont Region for its constant support and commitment.
7. *The Worker Vice-Chairperson* congratulated the Director on his appointment and assured him of his group's support. The Centre had a unique and essential function: to train the ILO's constituents and to promote the implementation of the Decent Work Agenda. To this end, it was essential to better integrate the Centre into the ILO. The past should not be forgotten, but progress was necessary and the debate on integration should not take place in Turin alone. He reiterated his group's full support for the Director-General and for the Director of the Centre in acting towards that. He thanked the representatives of the City of Turin and the Piedmont Region for their fraternal approach and for the notable improvement of the facilities, and added that Italy remained the most important donor of funds to the Centre. Both the City of Turin, which wanted to boost its international reputation, and the Centre, which represented the ILO in Turin, should be able to count on former participants as ambassadors who would contribute to the renown of Turin.
8. *The Employer Vice-Chairperson* congratulated the Director on his arrival at the Centre and assured him of the support of the Employers' group in fulfilling his mandate. He thanked the City of Turin and the Piedmont Region for their constant support. He hoped to see more substantial support by all the member States of the ILO in financing the Centre.
9. *The representative of the Government of Italy* greeted the members of the Board and thanked them for coming to Italy. He congratulated the Director on his appointment and recalled that Italy had always supported his predecessor. He renewed his support for the Centre and its training activities. Despite the recent budget restrictions, which had forced the Italian authorities to limit their financial commitment to international organizations, he said that Italy had always given the Centre and the ILO preferential treatment. In 2007, Italy should be in a better financial position for supporting international cooperation. He also hoped that the ILO would confirm and enhance its support for the Turin Centre, but asked that this point be examined in greater detail. His Government supported the enhancement of the Centre's international nature. Accordingly, he called on the ILO's other constituents to increase their financial support for training and for human resources development.
10. *The representative of the Government of Nigeria* highlighted the great importance that he attached to the work of the Centre, and again congratulated the former Director on having made the Centre a globally recognized institute and the new Director on his appointment. The Centre's mission was to promote the policies and programmes of the ILO by providing quality training and to help strengthen the institutional capabilities of its constituents, a mission that it fulfilled in an excellent manner in all the regions of the world. He wished to encourage greater integration between the ILO and the Centre. He noted the changes taking place in the world and pointed out the ever-greater relevance of the Centre, especially as regards subjects with global resonance such as international migration, human trafficking, child labour, poverty reduction, the implementation of the Global Employment Agenda and decent work. Migration in particular was a labour issue,

not just a political and social problem. He considered the Centre well placed to understand the multiple dimensions of these problems and to come up with new approaches that would prepare the countries of the whole world to overcome negative consequences. Lastly, he spotlighted the problem of the environment, which could not be ignored. He considered that the Centre's expertise equipped it to tackle the challenges posed by global warming and to put forward ideas concerning the multiple consequences of that phenomenon which could be incorporated into sustainable economic development policies.

11. *The Director* thanked the Chairperson, the Worker Vice-Chairperson, the Employer Vice-Chairperson and the Italian authorities for their commitment to the Centre. He presented document CC 68/1. He stressed the importance both of standard courses, which accounted for a third of overall activities in 2005, and of seeking to raise the number of activities. Activities in the field had risen from 167 in 2002 to 257 in 2005; those on the campus had risen to a lesser extent; and those at a distance had risen to 37. Around two-thirds of the activities went to the heart of the Centre's mandate. The rest concerned training technology, management of development and joint programmes with Turin University. This rise in activities in almost all the regions had particularly benefited Africa. There had also been a noteworthy increase in activities for the countries of Central and Eastern Europe, while the slight fall in training for Arab States was due to the regional context. The growth in programmes for officials of the ILO, the United Nations and the European Union had contributed to the rise in the total volume of activities. The proportion of women in training activities had risen from 40 per cent in 2004 to 43 per cent in 2005. Specific training activities for employers or workers had experienced a slight temporary drop, whereas their participation in standard courses had remained stable. In 2006, we were seeing a progressive return to full use of the Centre's facilities, and a bid to increase activities in the field and at a distance. Efforts to diversify sources of funding had to be intensified, in order to supplement the voluntary contributions of countries such as Belgium, France, Spain and Ireland. He stressed the importance of the projects implemented with the European Union and the World Bank. He then looked in detail at document CC 68/1/Add.1, the report on the administration of human resources at the Centre. He pointed out that the number of staff on the regular budget was steady at 149, of whom 54 were in the Professional category and above and 95 were in the General Service category. The number of project-linked contracts was explained by a rise in the number of projects carried out by the Centre. The regular budget of the Centre financed 68 per cent of the staff. In 2005, 37 per cent of officials in the Professional category were women, a proportion equivalent to that of Geneva. Geographical diversification, a guarantee of programme quality, had to be intensified. Today, 35 countries were represented. Staff training had been undertaken, especially management training. Constructive negotiations on the Centre's Joint Negotiating Committee had led to progress on teleworking, and were under way on new procedures for settling disputes and on the employment of disabled people. In document CC 68/1/Add.2, the report on the internal administration of the Centre, the Director highlighted the quality of management at the time of the Olympic Games. He thanked his predecessor and the staff of the Centre, together with the City of Turin and the region for what had been achieved, especially the increase in the Centre's accommodation capacity and the improvement to its classrooms. He added that an agreement signed with the City of Turin allocated 500,000 euros a year to the Centre for three years to improve conditions of work. Accommodation-related income had risen in 2006 because of the holding of the Olympic Games. The Centre therefore had to make maximum use of those facilities. New calls for tender had been launched for subcontracted activities like maintenance, the shuttle service and catering. Those contracts would be awarded by the end of this year. Commenting on document CC 68/1/Add.3, the Director stressed that the gaps noted between the resources initially foreseen for 2005 and the final income were explained by a rise in voluntary contributions, in particular an exceptional contribution by the Walloon Region, together with the effect of exchange rate fluctuations. The rise in the number of training activities had had a positive impact on income. Expenditure, especially fixed costs, had been less than predicted. This fall was not only

linked to cost-cutting efforts but also to the freezing of appointments. The Director mentioned that variable costs, dependent on the number of projects, had also increased. He pointed out that the 2005 financial year had ended with a surplus of around US\$400,000.

12. *The Employer Vice-Chairperson* thanked the Chairperson and the Director for the quality of his report. He welcomed the end of renovation works on the campus, which provided a unique opportunity to increase its use. He insisted on the need for increased cooperation on human resources development and staff exchange between Geneva and Turin. He stressed the value of cooperating with the academic world and international organizations, and of developing partnerships with the European Union, with the countries of Central and Eastern Europe, within the framework of the Stability Pact. He dwelt on the measures to boost the quality of activities and their evaluation. He noted with satisfaction the rise in activities and funding for Africa. He also wanted to highlight the activities on enterprise development, such as projects on SMEs and microfinance in the framework of the Decent Work Agenda. Finally, he mentioned the addendum concerning asbestos inside the Centre's buildings and insisted on the serious nature of the problem. He hoped to receive fuller information on that matter and on the measures proposed to deal with it.
13. *The Worker Vice-Chairperson* noted with satisfaction the rise in the volume of activities and in the number of participants, reflected in document CC 68/1. Nevertheless, he was concerned over the balance in participation by the social partners in the Centre's programmes in 2005. He therefore asked for the technical and regional programmes to present, in the report, a quantitative and qualitative analysis of tripartism in their activities. He wanted the data on bipartite and tripartite activities to be separated from the other activities so as to better reflect participation by the constituents. He also pointed to the need to consult the secretariat of the Workers' group on the choice of trade union organizations to invite to the Centre's activities. He would like to see a remedy for the low participation by workers in the activities of technical programmes such as enterprise development and management of development. He stressed the fact that only 50 per cent of the Centre's programmes were directly linked to the strategic objectives for decent work, and urged the management to continue its efforts towards greater integration with the ILO, both as regards programmes and in the financial and human spheres. He pointed out that better integration required an increase in the contribution of the ILO and of the technical cooperation budget allocated to Turin. Increasing voluntary contributions and a deeper examination of fixed costs were also priorities. The Vice-Chairperson expressed his thanks to Italy, whose support could serve as a model. The integration of international labour standards into the Centre's programmes was still very weak, apart from the Programme for Workers' Activities. He asked that an introduction to the ILO's legislative framework be systematically incorporated into training. He thanked the technical programmes and the MIS computer unit for their support for network development and distance training by the Programme for Workers' Activities. As regards bids for tenders, the Workers' group wanted to see a committee for awarding tenders set up to choose projects linked to the ILO's mandate. The Worker Vice-Chairperson also recommended greater participation by trade unionists in the postgraduate courses run in conjunction with Turin University, through basing selection on acquired skills, not just on diplomas. He invited those in charge of such courses to contact the Programme for Workers' Activities to discuss the practical details of such participation. Heightened cooperation with the International Institute of Social Studies was also desirable. The Workers' group acknowledged the efforts made as regards parity, which should be a constant concern and be introduced into the Centre's programmes. As regards training certificates, the Workers' group considered that the current system of certificates and diplomas provided both motivation and qualifications, and hoped that it would be kept. The Workers' group took note of document CC 68/1/Add.1 and stressed the importance of cooperating with the Staff Union on a succession plan to deal with upcoming retirements. He hoped that such a plan could be discussed in November 2007. Forward-looking staff management and programmes to train officials and upgrade their skills were essential tools in this respect. He said that the

mobility programme approved by the Board in 2005 should be seen as the first step in the process of integration with the ILO and should be reciprocal. The discussion held in March 2005 on the Programme, Financial and Administrative Committee should continue. The Workers' group proposed allocating the ILO's budgetary contribution to the Centre to funding the posts of chiefs of the regional and technical programmes. The Workers' group expressed its concern at the high number of fixed-term contracts and asked that efforts be made, in conjunction with the Staff Union, to remedy it. The Workers' group took note of document CC 68/1/Add.2 and welcomed the quality of the work accomplished. The Worker Vice-Chairperson expressed his gratitude to the Italian national and regional authorities for the renovation of the campus. He recommended further work to facilitate access by disabled people and that the Health and Safety Committee follow up on the presence of asbestos in certain materials. Lastly, he approved of the use of the campus by the partners associated with the mandate, which generated extra revenue.

14. *The representative of the Government of Nigeria* thanked the Director for his full report on the years 2005 and 2006 as well as the perspectives for 2007. Appreciation by governments and other interested parties of the Centre's critical role in the development of human resources and institutional capacities had undeniably grown in 2005. Moreover, he noted a rise in the Centre's revenue in 2005, which bore witness to prudence and good management strategy. He expressed particular satisfaction with the appreciable increase in the number of participants from the Africa region. He hoped that the trend would continue and stressed his satisfaction with the number of programmes chosen for that region, which accounted for 67 per cent of programmes in 2005, whereas it had only accounted for 48 per cent in 2004. As Minister of Labour, he insisted that the Centre should encourage cooperation with the secretariat of the African Union in Addis Ababa and with its Member States, and on the implementation of relevant programmes in the region. He pointed out that the African States had, on various occasions, taken significant measures to boost tripartism and social dialogue with the aim of achieving social harmony and the ILO's objectives in the world of work. A continuous dialogue with all the social partners would enable the Centre to provide better services. He called on the interested partners to make their contribution to the partnership between Africa and the Centre, and thereby help the continent to achieve the Millennium Development Goals and the objectives of the action plan of the New Economic Partnership for Development in Africa, especially those concerning poverty reduction, greater job opportunities, gender equality, better access to education and health service provision. The challenges facing Africa were great, and a concerted effort would be necessary to overcome them. The Centre had continued to diversify the content of its programmes and to improve its courses and the services on offer. The technical programmes, in particular, had been renewed with the latest teaching methods and the support of information and communication technology. He highlighted the fact that the Centre attached real importance to social dialogue and to tripartism in all its activities. In conclusion, he noted that numerous improvements had been made to the campus. He encouraged the Government of Italy and the City of Turin to continue their support and their interest in the Centre.
15. *Mr. M'Kaissi (Employer, Tunisia)* added his voice and his support to those of the Employer Vice-Chairperson. He congratulated the Director on his appointment and assured him of his personal support as well as that of Africa. The Fourth Development Plan (2007-2011) would be an important step towards achieving the Centre's objectives, and should focus more on the ILO's four strategic objectives. He said that tripartism and social dialogue should remain priorities in the Centre's activities. In addition, entrepreneurship training and the creation of a favourable environment for investment and small business development were important for inculcating a spirit and culture of enterprise and work in the young executives and leaders of businesses and employers' organizations. He pointed out that employment was a national and international responsibility, which required the Centre to strengthen the capacities and skills of employers' organizations by training their officials. He hoped to see stronger and closer coordination among the International

Organisation of Employers (IOE), ACT/EMP Geneva and the Turin Programme for Employers' Activities, especially to establish an operational strategy for activities on behalf of employers, who are best placed to understand their own training needs. He thanked the Italian Government, the City of Turin, the Piedmont Region, the French Government and the European Union for their financial support of the Centre. He called for broader financial participation by the other governments.

16. *The representative of the Government of Spain* offered his congratulations and those of his Minister of Labour to the Director on his appointment, which would contribute to the further success of the Centre. He was pleased with the rise in activities for Africa and Latin America, a result obtained mainly through European Union funding, and with the very positive opinion of the beneficiaries of those activities. He would like an explanation of the apparent fall in the number of representatives of workers or employers who received fellowships. In addition, he hoped that in future the report on the previous session of the Board would be appended, as a reminder, to the Director's report on the activities of the Centre. Similarly, a table listing the donors and the exact costs of courses would encourage other donors. In addition, he asked for an explanation of the rise in sums owed to the Centre from 2004 (US\$6.4 million) to 2005 (US\$9.6 million). He also mentioned course content, which centred on the major principles of the ILO and which was worth looking into more deeply. Lastly, he asked again for the Board of the Centre to meet in March so that it could have a more up to date overview of the activities of the current year. He thought that, in 2007, it would be useful to adopt a formula for meetings that would allow the Board to be more regularly informed of how the Centre's activities were evolving. The Centre had acquired a real reputation since the Olympic Games, and he wondered about the publicity spin-off. He ended by acknowledging that, without the Italian Government, the Centre would not exist.
17. *The representative of the Government of South Africa* wished the new Director success and thanked him for the quality of document CC 68/1 (Director's report on the activities of the Centre, 2005-06). He expressed satisfaction at the quality of the reception given to the media during the Olympic Winter Games and the opportunity this had given the Centre to increase its accommodation capacity. He emphasized the progress made by the Gender Coordination Unit. He noted with pleasure that Africa was benefiting from a large number of activities, in view of the many problems from which the continent was suffering. He recommended that activities take into account the needs of governments in relation to the strategic objectives of decent work. He expressed pleasure at the positive assessments made by participants and, in particular, their comments on the relevance of the training they had received. However, he deplored the reduction in 2005 of the number of activities for workers and employers. Where staffing issues were concerned, he remarked on the large number of people due to retire over the next three years and invited the Human Resources Department to prepare a plan to replace them. He shared his concern at the limited African representation on the staff of the Centre. He expressed satisfaction at the efforts made to adapt to local situations, taking as an example targeted activities for youth employment, for which there was a strong demand in Africa. He recalled that, in March 2006, the Governing Body of the ILO had decided in favour of a strategic alignment and increased cooperation between the Centre's programmes and sectors and those of the ILO. He appealed to the Governing Body to follow through on this decision. Finally, he thanked the Italian municipal, regional and national authorities for their ongoing support for the Centre.
18. *The representative of the Government of Germany* congratulated the Director on his appointment and wished him great success in managing the Centre. She stressed the quality of the documents. The Centre's performance, particularly the steadily growing number of participants and the positive comments made by them in their end-of-course assessments, was very encouraging. She also expressed pleasure at the significant increase in women's participation in the Centre's courses, and noted with satisfaction that the ILO's strategic objectives were well covered in the course programmes. She raised doubts,

however, about the concrete measures that were to be taken regarding the use of the Centre's new facilities.

19. *The representative of the Government of El Salvador* congratulated the Director on his appointment and assured him of his support in managing the Centre. He thanked the City of Turin, the Piedmont Region and the Italian Government for their continuing support for the Centre's activities. He thanked the Centre for the quality of the documents. The Salvadorian delegation was pleased that the DELTA Programme, the Centre's distance learning programme, had assumed so prominent a place. The funding of the Salvadorian Vocational Training Institute, in 2005, and the training course for trainers, organized in El Salvador in 2006, had been particularly appreciated. He noted that the number of beneficiaries of distance learning programmes had increased significantly between 2005 and 2006, and enthusiastically encouraged the development of those activities and related teaching materials.
20. *The representative of the Government of France* also thanked the Director for the quality of the documents submitted. She noted with satisfaction an increase in the Centre's activities contributing to the dissemination of the ILO's objectives, which made the Centre a key player in the ILO's strategy to promote decent work. She highlighted four points. The first concerned the synergy created by close cooperation between the Centre and the programmes and departments of the ILO. Increased cooperation with the ILO's external offices made it possible to take better account of the social and economic circumstances, and the specific needs, of the ILO's constituents. She also expressed satisfaction regarding activities organized jointly with the European institutions, United Nations agencies, universities, the OECD, the World Bank, and employers' and workers' organizations, which made for greater consistency and effectiveness in achieving joint objectives. Secondly, she expressed satisfaction at the considerable increase in activities devoted to Africa. Her third point concerned the effort made by the Centre to give a cross-cutting dimension to gender issues and to international standards. Fourthly, she said that France was strongly in favour of programmes promoting social dialogue. She wondered, however, why there had been a reduction in representatives of the social partners. She concluded by encouraging the Centre to pursue an integrated, multidisciplinary approach, which was the best way of meeting the varied and specific needs of the ILO's constituents.
21. *The representative of the Government of Kenya* congratulated the former Director on the results he had achieved and the new Director on his appointment. He assured the latter of his confidence during the present phase of transition, as he prepared the Centre for the challenges it must face. He expressed his Government's satisfaction at seeing human resources being developed as a vital factor in the social and economic development of the Centre's constituents. He noted the growing number of participants generally, and of African participants in particular, and an increase in the number of activities held in Africa. He expressed satisfaction at the good regional distribution of these participants and advocated more tailor-made courses to meet the needs of different countries more effectively. In particular, he applauded the training project for judges in the Great Lakes Region of Africa. However, he expressed anxiety over the ILO's low level of contributions to the functioning of the Centre, which jeopardized any attempt at integration, and recognized that the mobilization of resources was the greatest challenge the Centre had to face. He noted that Italy was the most generous donor, and thanked the Government of France for having financed activities on labour migration as an instrument in development. He said he would like to be better informed concerning the sectors and regions covered by the Centre's activities in this field. He expressed satisfaction at the constant attention paid to gender issues, particularly the promotion of women's entrepreneurship. He highlighted an activity funded by the Flemish Government for South Africa, concerned with increasing the capacity of governments to systematically incorporate gender issues into the provision of government services. He appealed to the international community to consider a similar programme for Kenya. He concluded by referring to a sensitive point already raised at the 67th Session of the Board: the under-representation of Africans on the staff of the Centre.

22. *The representative of the United States* thanked the Director and his staff for the quality of the documents presented. She raised the question of two budget items for which the forecast amounts had been considerably exceeded, in particular, the item “temporary assistance”. The second item was variable costs. In this case, because a large amount of money was concerned, she proposed that the item be broken down into a number of sub-items, to facilitate analysis. She expressed pleasure at the surplus achieved during the 2005 financial year and asked what use would be made of it.
23. *The representative of the Government of Brazil* congratulated the Director on his appointment. He stressed the importance of distance learning courses, because of the high cost of travel. He said that the Latin American countries were interested in those training courses and regarded their treatment of gender-related issues as very important. He expressed satisfaction at the decision to continue to hold courses in Portuguese, because those programmes had increased the number of participants from Latin America and Africa.
24. *Mr. Anand (Employer, India)* called on the Centre to give focus to support the implementation of the Decent Work Agenda and programmes aimed at eradicating poverty. He added that, in the future, the Centre should give priority to contribute through training activities to development assistance programmes.
25. *The representative of the Government of India* congratulated the Director on his appointment, and thanked the Italian Government and other donors for the considerable support they gave the Centre. She mentioned in particular the need to improve the quality of life of workers, noting that in Asia the Centre’s activities focused on the Decent Work Agenda. Like China and the Republic of Korea, India needed such programmes because it had a large reservoir of skills and well-qualified human resources. In this respect, the Turin Centre and the ILO were proving very useful in improving the skills of both qualified and non-qualified labour.
26. *The representative of the Government of Italy* thought it necessary to start a dialogue between governments and the social partners, believing it essential that the latter participate in the Centre’s activities. Noting that more than 70 per cent of the Centre’s budget depended on extra-budgetary resources, and particularly its success in responding to invitations to tender, he pointed out that the amount allocated to tripartism in the Centre’s programmes was far greater than the funding obtained from the ILO. It would therefore be a good thing if the ILO could provide more resources to support the expansion of such programmes.
27. *The Director*, replying to the various speakers, emphasized the importance of quality as a key factor in the provision of training. Where the problem of asbestos was concerned, inspections were carried out annually, in accordance with European Union rules, and the results submitted to the Centre’s Health and Safety Committee. This problem would be solved once and for all when the campus was completely refurbished. Seventy-five per cent of the Centre’s activities now dealt with issues at the heart of the ILO’s mandate. The Standards Programme had designed a kit to ensure that this aspect was included in the various activities. He explained that workers’ participation in university courses was certainly envisaged, but the awarding of diplomas was the responsibility of the university concerned, not the Centre. On the issue of project-linked contracts, he stated that experts recruited and assigned to a project – and consequently not subject to a competitive application process – received, like the ILO’s technical cooperation personnel, a fixed-term contract. Any extension of their contracts therefore depended exclusively on the duration of the project itself. However, aware that some situations went back a very long time, he had asked the Human Resources Department to examine this contractual issue, in consultation with JUR. In response to a number of requests, the Director announced that the Board report would be made available at the following session. He pointed out that, in deciding on any formula to increase the frequency of Board meetings, it would be necessary to take into account the resulting costs to the Centre. However, thought would be

given to having more regular follow-up, so as to arrive at an appropriate solution. The Director promised to work for better cooperation between the Centre and the regions, particularly in the framework of United Nations reform, and to devise the most competitive training structures, so that the on campus and distance learning courses were better organized.

28. *The External Auditor* presented his report, stating that, even if it meant going back in time, the recommendations made were grounded in the present and looked to the future. He stated that he had made a full financial audit, was able to give a clear opinion on the accounts and the Centre was in a sound financial state. He went on to say that he had made 12 recommendations on key aspects of financial management and control, the Centre's cost-sharing arrangements, treasury management and sickness management. The recommendations were made with a view to bringing added value to the Centre through the audit process. On financial matters, he drew the Board's attention to the importance of maintaining a clear view of future liabilities that would have to be reported on when the new public sector accounting principles (IPSAS) were adopted by the United Nations system. Firstly, he repeated his concern at the way control and continuity were at risk due to over-dependence on the treasurer to produce the financial statements. He again regretted the absence of formal debt-management procedures and noted that the accounts receivable had risen from US\$6.4 million in 2004 to US\$9.6 million in 2005. Thirdly, he noted the continuing lack of adequate internal auditing, which presented both risks and loss of value for money. On management issues, he stated firstly that the cost-sharing arrangements with other institutions housed on campus should be made more equitable. Secondly, he recommended a more active approach to managing the Centre's treasury (US\$19 million at the end of the year) that would enable the Centre to maximize returns, even though the current returns were not unsatisfactory. He also stated that the Centre should consider risk factors and currency exposure. On absence management, he stated that sickness management had not previously been examined and that current practice in human resources management indicated the benefits of actively managing absence due to sickness. He pointed out that unmanaged sickness absence cost money, reduced efficiency, and did not best fulfil employers' responsibility. He gave the example of the National Audit Office itself, which had reduced days lost through sickness from an average 9.1 days per person in 2004-05 to an average of 5.7 days in 2005-06. He considered that by applying best practice in this area, the Centre would benefit both staff and management. Accordingly, he made three recommendations on the subject. He went on to say that the approval of the accounts was an important matter that merited careful scrutiny and suggested that the Board consider making the accounts subject to a process of formal acceptance by the Board. He concluded by thanking the Director and staff for their cooperation and the Board for its attention.
29. *Mr. Lambert (Employer, United Kingdom)* stressed the importance of the issues relating to debt management and internal auditing, which, despite recommendations made in 2003, had still not been carried out. He raised the issue of absenteeism mentioned in the External Auditor's report. He supported the recommendation that the management should seek explanations for absences and that interviews should be held with the persons concerned on their return to work.
30. *The Workers' group* had taken careful note of the External Auditor's report. They supported the recommendations on cost sharing with organizations housed on campus and the proposals aimed at strengthening the team responsible for preparing financial statements and performing internal auditing. Their Vice-President nevertheless had reservations regarding the recommendations. The questions relating to absences due to illness suggested a need for better human resources management. Issues of absenteeism on health grounds should not lead to general stigmatization. He invited the management, in consultation with the Staff Union, to implement the recommendations selectively.
31. *The representative of the Government of the United States* asked for information about the origin of the unrecovered debts.

32. *The representative of the Government of Spain* thought that the External Auditor has ascribed too much importance to the issue of absenteeism, as compared with debt management, and would have preferred him to have made proposals with a view to solving this second problem.
33. *The representative of the Government of Germany* supported the External Auditor's recommendation, particularly regarding cost sharing, debt management and the level of absenteeism. On the latter point, the important thing was not to condemn the staff but to understand the reasons, and it was the External Auditor's responsibility to make suggestions on how to resolve the problem.
34. *The Employer Vice-Chairperson* emphasized that recommendation 12 was to the point, namely, to discuss the recommendations of the Auditor together with a proposal from the management on how to deal with them and had to be implemented by the Centre's management for future meetings.
35. *The Director* made it clear that the Centre regularly responded to the External Auditor's recommendations. On the issue of long-term sickness leave, the Centre's rate of absenteeism was still about average, but he agreed that this point could be dealt with in consultation with the Human Resources Department and the Staff Union representative.
36. On the issue of the origin of the debt, *the Treasurer, Mr. Peter Jones*, explained that many of the Centre's projects were invoiced as of 31 December and were not paid on that date. Moreover, in a significant number of cases, the donor agencies only paid the Centre an advance, and the final payment was not made until they had received the financial report relating to the project. However, he mentioned that there was an informal debt recovery system, and an automated reminder system.
37. *The Chairperson* invited the Director to present the documents submitted under the second item on the agenda.
38. *The Director* presented document CC 68/2, in particular the table on page 15 of the French and English versions, which set out the budgetary forecasts for 2006 and 2007. For 2006, the voluntary contributions were greater than forecast in the budget. The difference was due to an exceptional contribution of US\$638,000 (500,000 euros) made by the City of Turin. Regarding income from specific training activities, he reported that forecast and actual income matched. The increase in the item "other income" was due to profits generated by the Olympic Games. The increase in fixed costs was due to wage increases and an increase in costs associated with the higher level of room occupancy during the Olympic Games. This increase was also ascribable to exchange rates and an increase of 12.16 per cent in the remuneration of General Service staff decided on by the CFPI. Because of the increase in income in 2006, the year would end with a small surplus, given the stability of variable costs. Concerning the provisional budget for 2007, he explained that it was based on voluntary contributions from the ILO, the Italian Government, the Government of France, the Piedmont Region and the City of Turin. On the important topic of forecast income from training programmes, he emphasized that a large increase over 2005-06 was anticipated, firstly because of the large number of projects to be implemented, secondly because of estimates of the costs incurred. A high target had been set and, to achieve it, the Centre had to take into account an increase in fixed costs, mainly due to two items: General Service staff wages and the cost of maintaining the buildings, as the increase in its accommodation capacity was generating greater expenditure. He also mentioned an increase in variable costs, related to the increase in the volume of forecast activities. Regarding document CC 68/2/Add.1, the Director explained that the introduction from January 2008 of accounting in euros was recommended by both the Internal and External Auditors. They had noted that the majority of the Centre's income and expenses were effected in euros, and the move would make it possible to reduce the adverse effects of exchange rates. Many international organizations used the currency of the country in which they were based, the UNIDO in Vienna, for example. Document CC 68/2/Add.2 made proposals for regulating surpluses, there already being arrangements

in place in the event of a deficit. The practice to date had been to put such surpluses into a reserve fund and, every five years, propose an investment plan. The new document proposed that the Board use all or part of such surpluses to undertake annual activities, rather than wait five years. Finally, document CC 68/2/Add.3 set out the Centre's responses to the recommendations made to the Board by the External Auditor in November 2005. The Director returned to recommendation 12, which advocated registering gifts received by officials, so as to avoid abuses. This measure would be put into effect before the end of the year. He ended by mentioning document CC 68/2/Add.4, which gave more detailed information about staff changes and structure.

39. *The Employer Vice-Chairperson* expressed approval of the change of currency from the dollar to the euro, and of the financial regulations and the proposed amendments. In order to implement the External Auditor's recommendations, he thought it necessary to have this report and the proposed follow-up by the management as soon as possible. He proposed that more countries should be encouraged to make voluntary contributions, through the sponsoring of programmes, through participation by the Centre in technical cooperation programmes, through Centre support for development aid, through the granting of aid to enable students to participate in the Centre's courses, and/or through a combination of all those possibilities.
40. *The Workers' group* took note of document CC 68/2. The Worker Vice-Chairperson hoped that voluntary contributions and contributions deriving from the regular budgets and from the ILO's technical cooperation would increase, so as to ensure linkage between the Centre's activities and the ILO's strategic objectives. He invited the new Director to take into account the proposals made by the Workers' group for reducing the fixed costs of the Centre, and to pursue the discussions within the Programme, Financial and Administrative Committee on the financial aspect of the ILO's contribution. The Workers' group expressed approval of paragraph 17 of document CC 68/2. Given that most of the Centre's expenses were in euros, it approved the proposal to introduce this currency as the standard unit for the budget, the accounts and the financial statements referred to in paragraph 19 of document CC 68/2/Add.1. It also expressed approval of paragraphs 7 and 17 of document CC 68/2/Add.2 regarding use of the financial surplus. The Workers' group supported the External Auditor's recommendations and the planned follow-up under document CC 68/2/Add.3. It was in favour of more staff being involved in the preparation of the financial statements. On the other hand, they expressed reservations about recommendations 12 and, above all, 13, which was not in keeping with the founding principles of the ILO. Consequently, they asked the Director to exercise the greatest prudence in implementing those suggestions. Recommendation 15, on bringing the Centre's objectives into line with those of the ILO, should also be examined as part of the consultation process within the PFA.
41. *The representative of the Government of Spain* requested further information on the overtime worked by staff and congratulated the Workers' group on the merger of the two major international trade union confederations in response to the challenge of globalization.
42. Responding to the questions asked, *the Director* assured the Board that the greatest attention would be paid to implementing the External Auditor's recommendations, and that the suggestions made during the session would be taken into account. The proposals made by the Employers' and Workers' groups on increasing income were of particular importance and would be given further consideration during the sessions of the ILO Governing Body arranged to examine and approve them.
43. *The Chairperson* invited the Board to take a decision on the points submitted to it.
44. *The Board* approved paragraph 17 of document CC 68/2, paragraph 19 of document CC 68/2/Add.1, and paragraph 7 of document CC 68/2/Add.2. The Board took note of documents CC 68/1, CC 68/1/Add.1, CC 68/1/Add.2, CC 68/1/Add.3, CC 68/2/Add.3 and CC 68/2/Add.4.

II. Reports of the Trade Union Training Committee and the Employers' Training Committee (Third item on the agenda)

45. *The spokesperson for the Trade Union Training Committee* expressed satisfaction with the document presented. He welcomed the major effort made by the Programme for Workers' Activities to improve training activities. He also congratulated the staff of the Turin Centre, especially mentioning the work done by the Committee and the relevance of its conclusions and recommendations.
46. *The spokesperson for the Employers' Training Committee* expressed satisfaction with the document presented. The Employers' group was fully supportive of the proposals contained in it. He added that an inquiry into the needs of employers and employers' organizations was being conducted with the ACT/EMP Geneva group and the IOE using an integrated approach. He proposed to provide additional data in forthcoming reports so as to give a better understanding of the employers' programmes.
47. *The Board* took note of documents CC 68/3/a and CC 68/3/b.

III. Progress Report on the 2002-05 Investment Fund of the Third Development Plan (Fourth item on the agenda)

48. *The Employer Vice-Chairperson* regretted that not all the projects foreseen in 2005 had been implemented. Nevertheless, he recognized that the Centre had had to deal with certain challenges and that, in 2006, it would be possible to complete the activities launched. He welcomed the setting-up of a network of former course participants. He saw it as real progress that would make it possible to enhance the Centre's reputation and give its action more visibility.
49. *The Worker Vice-Chairperson* regretted the delay in implementing the Third Development Plan. He wondered about the differences in the sums committed and the number of activities held in 2005 (US\$667,000) compared to 2004. He felt that the workload of the various programmes and consultations with the Geneva staff were no justification for the delays. He encouraged the Director to draw the necessary conclusions that would guarantee that the Fourth Development Plan was implemented well. He noted with satisfaction the creation of training material and of a project-based post in the Standards Programme. He hoped that the post could be maintained and that there would be specific cooperation with the Special Action Programme to Combat Forced Labour in Geneva.
50. Responding to the questions, *the Director* also welcomed the setting up of a network of former participants, and underlined its importance. Concerning the delay in the implementation of the Third Development Plan, he took note of the remarks by the Worker Vice-Chairperson and said that corrective measures were being studied so as to avoid any repetition of such delay regarding the forthcoming Investment Programme. Finally, he, too, hoped that the Standards Programme post would be maintained, but he stressed that it depended on the resources available.
51. *The Board* took note of document CC 68/4.

IV. Future development of the Turin Centre and its relations with the ILO (Fifth item on the agenda)

52. *The Chairperson* invited the Board to move on to item 5 on the agenda and documents CC 68/5/a and CC 68/5/b, submitted for information.
53. On the future development of the Centre and the ILO, *the Worker Vice-Chairperson* said that, as spokesperson for the Workers' group on the ILO's Programme, Financial and Administrative Committee, he would ask for an increase in the next budget that would make it possible to see a future rise in the ILO's contribution to the Centre.
54. *The representative of the Government of Nigeria* congratulated the Chairperson on a good session of the Board. He stressed that the question of extra-budgetary resources remained a sensitive area, and he asked the Centre to give it deep thought. He hoped that efforts would be made to increase the visibility of the Centre's activities, and that the Centre would not be seen merely as a tool of the ILO, though it should not overstep the boundaries imposed by its mandate.
55. *The Board*, having dealt with those points during the debate on the fourth item on the agenda, took note of documents CC 68/5/a and CC 68/5/b.

V. International Training Centre of the ILO: Development Plan 2007-2011 (Sixth item on the agenda)

56. *The Director* returned to the discussion and comments made, affirming that the Decent Work Agenda and its four underlying strategic objectives lay at the heart of the Centre's activities. He said that measures would be taken to ensure that the Management of Development Programme took greater account of the social dimensions of development. He said that the subject of the Programme could play a key role in reforming the United Nations system, which would put the Centre in an advantageous position. He pointed out, in relation to the regional programmes, that the Centre was in the final stage of a transition that had begun in 2002. The aim of the transition was better integration with the ILO by establishing a structure based on its four fundamental objectives. The issue of the regional programmes was part of the problem of integration. The conclusions of the decent work global management team meeting recently held in Geneva, which brought together the Centre, the ILO and the external offices, would be very useful from this point of view. He underscored the complementary action of those three stakeholders in reinforcing the credibility and profile of the ILO's action as a whole. The Centre had a key role to play in the ILO's commitment to addressing the problems surrounding development aid. He stressed that it was important to boost the development capacity of constituents, an area in which training played an essential role. The issues to be borne in mind in relation to the Investment Programme were discrimination, migration, tripartism and corporate social responsibility. He wished to adopt a multidisciplinary approach to those issues, which required coordination among all the programmes. The Centre's strength lay in its expertise in training, an integral component of which was evaluation. In connection with technology, the Director said that obsolete software had to be replaced.
57. *The Chairperson* reaffirmed the ILO's commitment to working in close cooperation with the Centre, pointing out that the latter's role in capacity building was a key instrument for the advancing of the overall Decent Work Agenda.
58. *The Employer Vice-Chairperson* noted with satisfaction that the Development Plan was a very rich document that had taken due account of the proposals arising out of previous discussions and offered a variety of viewpoints. The Employers' group had identified four

strands to the Plan, i.e. decent work and global employment, the Centre's integration into the United Nations system according to trends in the choices of funding of development aid provided by sponsors, the organization of the structure of the ILO and, finally, the real needs of the Centre's clients, particularly ILO constituents and developing countries. The second and final points were particularly important to the Employers' group in terms of defining the Centre's development strategy. The Centre's stance on the Decent Work Agenda and the Global Employment Agenda was admittedly important, but consistency with these agendas should be the case and hence response to new trends and to the UN reform will make more difference. The Employers' group agreed with the Director that the social dimension should be included in the context of development aid. To respond to a more decentralized approach of development aid, to the wish for policy coherence and to the need for capacity building, it proposed including the Centre's services automatically in the context of technical cooperation activities or in decent work country programmes. These proposals had already been put to the Programme, Financial and Administrative Committee in March 2006. The Employers' group wished to see more synergy develop by means of better exploitation of the Staff Mobility Plan, thus contributing towards better exchange of information and know-how. Given that the Plan had not been very successful, the Employers' group suggested that it should be made more appealing by adopting creative solutions, such as assigning interested staff to shorter missions. The Employers' group recognized that employers themselves had to take steps to integrate, and informed the Board that ACT/EMP, the IOE and the Programme for Employers' Activities had reorganized to improve their capacity to meet their clients' needs. The Employers' group said that it was satisfied with the Centre's ambition to raise the proportion of social partners to 30 per cent of participants. To ensure that this ambitious objective was fulfilled, he suggested that the Programme for Employers' Activities should benefit from increased financial aid to strengthen this still relatively recent programme. To be able to contribute to capacity building and employers' involvement in the framework of technical cooperation, a direct contribution from the regular budget of technical cooperation should be made available for the Programme for Employers' Activities. He wished the Programme for Employers' Activities to become as successful as the Programme for Workers' Activities. He felt that the Centre would benefit from closer ties with the private sector, which would almost automatically increase the participation of employers in the technical programmes. In this respect he felt that an investment in the Programme for Employers' Activities amounted to an investment in the growth of the Centre. He sounded a note of caution against limiting the treatment of certain subjects to one sector, instead of a multidisciplinary approach, particularly when training material was being developed. Migration, for example, rather than being a problem of social protection alone, also fell within the ambit of problems connected to employment, the brain drain and brain gain, and socially responsible globalization. To achieve this, it would be advisable to formulate a strategy of sharing knowledge among the technical programmes and between the Programmes for Workers' Activities and Employers' Activities. Whatever the case, the Employer Vice-Chairperson said that he was satisfied with the way the Development Plan dealt with migration. As far as corporate social responsibility was concerned, he advised the Centre to hold talks with the ILO Multinational Enterprises Subcommittee to determine the type of training materials to develop. Given the nature of the subject, furthermore, employers should be responsible for developing such materials in accordance with the guidelines established by the Subcommittee, with workers being involved in the process. The Employer Vice-Chairperson then returned to the idea that the Centre should concentrate its training activities exclusively on the mandate of the ILO, proposing, on the contrary, that the Centre should have a broader role to play within the United Nations system, supporting the UNDP and its HIV/AIDS programmes, for example. This would involve acting in a decentralized context, for which the Centre could prepare itself by joining forces with other training institutions or fostering the mobility of its staff between Geneva and Turin. The Employer Vice-Chairperson highlighted the assertion in paragraph 119 that the Centre's means of funding did not allow it to devote many

resources to an active human resources development strategy, particularly by training its staff. He wondered how the Centre's situation was different from that of other private enterprises that did not benefit from any voluntary contributions. He called upon the new management to see this as a challenge that had to be overcome. On the Investment Plan, he referred to his remarks on the project on migration and stipulated that the description of the project on discrimination is still too one-sided, from the view of norms and standards. Taking the issue as "discrimination and diversity" would be better, including the employment perspective and the development of companies culture. He welcomed the fact that for every project of the Investment Programme, a reference group will be formed and suggested that in each group a member from the Geneva base should participate. He agreed with the proposed investment in ICT, but remarked that the proposed project on HR-software only covers the phase 1 of specification of the needs to be met by new software. He would like to obtain further information on the costs and sources of funding for subsequent stages of the Information Technology Plan.

59. *The Worker Vice-Chairperson* noted with satisfaction the Chairperson's observations on the importance of the Centre for the future of the ILO as regards capacity building for its constituents and the implementation of decent work. He wanted to continue the discussion in Turin and Geneva on the Centre's role and its integration into the ILO, including the means to ensure that it had a stable financial base and to allow it to bring its training into line with the ILO's strategic objectives. He wished to thank the Director of the Centre for allowing frank and open discussions on the Development Plan and the Investment Programme. The current Development Plan was a clear improvement on the Plan submitted in the previous year. The Workers' group considered the integration of the Turin Centre into the ILO to be a cornerstone of the Fourth Development Plan, which was closely connected to the discussion that had begun in Geneva in the PFAC on the Centre's integration and future. Besides the increase in the ILO's contribution and voluntary contributions, the Centre's integration was also linked to the future development of the technical cooperation that would be entrusted to it. In 2004 some US\$800,000, or 0.6 per cent of total technical cooperation expenditure, had been entrusted to the Centre. He suggested that a serious discussion should be held on this issue in Geneva, and said that it was important for a training aspect to be incorporated into ILO technical cooperation programmes. He noted, in relation to staff integration, that several constraints arose, such as failure to take periods of secondment in Turin into account for the career progress of ILO officials, and the fact that the Centre's staff who applied for transfers were treated like any other external applicant. While the reform of the United Nations presented challenges that were not inconsiderable, it also offered an excellent opportunity for the ILO to promote the Decent Work Agenda among United Nations institutions. The Centre played a crucial role in this area through training and decent work country programmes. The Workers' group was delighted that the Fourth Development Plan provided for integrating international labour standards into the Centre's technical programmes as a whole. The strengthening of this department was a strategic issue for its activities. He also supported the Centre's intention to establish an agreement with the Declaration Programme similar to the one that existed with IPEC, which allowed an expert to be hired on a project basis. Such an agreement made it possible to improve cooperation in the area of discrimination and forced labour. He felt that the Centre should also play an important role in monitoring the action plans in the Declaration on Fundamental Principles and Rights at Work. As regards the Employment and Skills Development Programme, he welcomed the reference to the Global Employment Agenda and to ILO Conventions. He invited the Centre to base its work on the conclusions of the general discussion on the employment of young people during the International Labour Conference in 2005. He was delighted that representatives of trade union and employers' organizations were to take part in a post-graduate pilot programme on health and safety at work. He stressed that workers should have access on the basis of their professional experience rather than a university qualification. It was important to take steps to include representatives of employers' and workers' organizations in all basic training organized by the Centre. He was pleased to note that paragraph 61

provided for an increase in the number of trade union representatives who took part in the Centre's training activities. However, he did not agree with the condition that went with it, namely, that such an increase would only be possible if new income from activities were released for trade union training by the ILO's main sponsors. He asked for the social partners' participation to be raised to 35 per cent, compared to the 30 per cent currently proposed in paragraph 66. It was also important for the recommendations on tripartism and social dialogue and the Protocol for consultations at ILO level between ACTRAV and ACT/EMP to be placed on an operational footing in order to integrate a tripartite approach into training activities. The Technical Programme on Social Dialogue could also favour this process, as could the overall reorientation of the Centre's training activities towards a genuine tripartite approach. He pointed out that the Central Fund had been established to broaden the tripartite approach in the Centre's training operations. The resources guaranteeing the participation of the social partners should be increased. Over recent years it had allowed an increase in the participation of employers' and workers' representatives in the Centre's standard courses. He felt that the Central Fund should be institutionalized by integrating tripartism into the core training programmes and by involving employers' and workers' representatives in the training programmes organized by the Centre. As regards the InFocus Initiative on corporate social responsibility the previous March, the Subcommittee on Multinationals, ACTRAV and ACT/EMP had recommended that the Turin Centre should link its training activities on corporate social responsibility to the strategic priorities adopted by the Subcommittee. He emphasized that all training activity in this area should be developed in close cooperation with the Multinational Enterprises Programme, ACTRAV and ACT/EMP. The training and teaching material developed by the Turin Centre should be based on the ILO Declaration on Multinational Enterprises. Corporate social responsibility activities should be seen as complementary to and supportive of international labour standards rather than as replacements for them. He suggested that the Centre should play a leading role in training ILO staff. The section on institutional capacities dealt with the Centre's financial capacity and the challenges to be met. Two avenues had to be examined. The first was the reorganization of the Centre's operations with a view to reducing fixed costs, an exercise that was connected to defining a succession plan. The second was to increase income by strengthening the link between ILO training and technical cooperation. To make it easier for the Centre to obtain technical cooperation funds for training and capacity building for its constituents, a strategy linked to the Development Plan to provide support for the Centre according to its usefulness and international profile also had to be finalized. He reasserted the need to continue the discussion on staff mobility and integration and to work towards a succession plan. With regard to document CC 68/1/Add.1, he invited the management of the Centre to take due account of the comments and to approve the point for decision in paragraph 127. During consultations on the Investment Plan 2007-2011, the Workers' group had asked for projects concerning discrimination and migration to have a different structure and to be allocated staff linked to these projects for an initial period of two years. The Workers' group asked for measures to be taken in connection with this plan to consult the technical departments concerned in Geneva and to examine the possibility of having staff in Turin for those two posts by making use of experts. The proposal made it possible to forge technical and financial links between Turin and those technical departments. He proposed to boost the Programmes for Workers' Activities, Employers' Activities, and Social Dialogue in Turin by introducing new working procedures so that the three programmes could cooperate with other departments, such as the Enterprise Development Programme, in order to produce training courses that took the tripartite element into account. The Centre should organize in-house meetings to reflect on this issue and should distribute existing ILO training material on tripartism, such as CD-ROMs, to course participants. Tripartism should be one of the objectives of the course. As far as the financial appropriation required to support this proposal was concerned, he recommended that funds should be made available to the Programmes for Workers' Activities, Employers' Activities, and Social Dialogue with a view to developing projects on tripartism. The main

indicators for the project should be the increase in the number of social partners in the Centre's activities and the quality of the training provided, with more training programmes and projects based on tripartism and social dialogue. As regards evaluation, the technical and regional programmes should be responsible for carrying out their own evaluation of the impact of their activities, assisted if necessary by independent experts, focusing on the development and sustainability of professional networks linked to the Centre's training capacity. It was clear in relation to Oracle that an update after December was necessary. He invited the management of the Centre to take account of the comments of the Workers' group and to approve the point for decision in paragraph 50.

60. *The representative of the Government of Kenya* approved the Development Plan's objectives and also supported the Investment Programme linked to the ILO's strategic objectives. It was essential to reinforce the content and range of the Centre's activities and to renew its infrastructure. Despite the financial constraints, he suggested that the social partners and external offices of the ILO should be more involved and should be used to evaluate the latter's needs. He mentioned that his country had implemented an IPEC programme and thanked the Italian Government for the financial support received in 2001-05 through the Investment Fund. He stressed that traditional methods of communication should complement the new technologies because many developing countries were not easy to access by Internet.
61. *The representative of the Government of Spain* expressed his satisfaction with the presentation of the Development Plan for 2007-2011. It focused on immigration, which showed how topical the Centre's programme was. The current European situation was clear on this issue. An alarm bell had been sounded not because of legal or "decent" immigration, but because of the recruitment of illegal workers, fuelled by unfettered competitiveness in pursuit of them. Decent work and the management of development were major themes for the Centre's programmes, and the solution involved human resources development. He also referred to decent work country programmes. By creating jobs, these programmes represented an effective way of combating poverty, which was at the origin of illegal immigration. While development experts advocated improvements in infrastructure and strong policies, job creation was in fact the true driving force of development, and the training delivered by the Turin Centre was an essential aspect of the creation of decent work.
62. *The representative of the Government of Germany* supported the document and the points for decision and was pleased to note the minutes of the discussion that had taken place during the meeting of the Officers of the Board in August 2006, particularly on improving integration between the Centre and the ILO. She said that the Centre should play a key role in the ILO's general policy of capacity building and reiterated her thanks to the Chairperson for mentioning this point at the opening of the session. She supported the specific measures in document CC 68/6/c that sought to strengthen the content and funds of the Centre's programmes while calling for more transparency in the presentation of costs, their breakdown and the specific amount of each project. Finally, on applying the human resources software, the first stage of which had been evaluated, she was particularly concerned about the cost of the second stage.
63. *The representative of the Government of Brazil* thanked the Centre for its presentation of the Development Plan and particularly for the detailed consultation process. He expressed his Government's support for the current process of reforming the United Nations system and specified that he supported the thematic strategies chosen, the IPEC Programme, the agreement on the integration of tripartism and parity. He emphasized the importance of promoting distance learning, in particular.
64. *The representative of the Government of Italy* expressed the Italian Government's agreement with the Development Plan presented. He made suggestions on programmes relating to the management of development and stressed the importance of action on the ground. The objective should be to provide training that was useful to developing

countries. He said that the Centre should focus on techniques for evaluating the social impact of projects, particularly investment projects headed by international and national banks and financial institutions. He underlined the need to determine the investments required but also to set guidelines for the technical assistance projects. He emphasized that the Centre's specialization in this area was very important due to the cross-disciplinary nature of its activities.

65. *The representative of the Government of South Africa* said that his Government approved the Development Plan. He urged the Centre to enhance its long-term training capacity and was delighted with the attention paid to the African continent's needs. He felt that the strengthening of a strategic partnership with the African Union was essential, particularly in relation to the development of regional capacities.
66. *Ms. Awassi-Atsimadja (Employer, Gabon)* shared the positions expressed by the Employers' group. She called for programmes dedicated to the African continent to be reinforced and highlighted the need to involve trainers in what really went on in Africa so that better account was taken of the continent's multifaceted and complex nature.
67. *The representative of the Government of El Salvador* expressed his satisfaction with the Plan presented and encouraged the multidisciplinary programmes on immigration that were being prepared. He called for an increase in cooperation between the Centre and the ILO.
68. *The representative of the Government of France* supported the guidelines proposed in the Plan and the Investment Programme. She called for special attention to be paid to the needs of Africa, and welcomed the multidisciplinary and integrated approach of the projects presented on migration, employment and tripartism, and corporate social responsibility.
69. *The Director* thanked the members of the Board for the stimulating discussion and for their proposals, which would be taken very much into account. He confirmed, with respect to exploring new partnerships, particularly with the private sector, that relations with foundations were promising. In the area of planning human resources needs, he said that the operational methods of the Centre, an international organization that depended on public sponsors whose financial procedures were sometimes protracted, made forward management of personnel difficult. In relation to the studies provided for in the Investment Programme 2007-2011 with a view to the future computerization of human resources management, he pointed out that the Centre would be in a position to determine the option envisaged according to the results: either inclusion in IRIS or the development of a special system. He also reassured the Worker Vice-Chairperson of the essential position that international labour standards held in the Centre's programmes, based principally on the Conventions of the ILO and its tripartite approach. He stressed the need to adapt the training techniques and contents to the beneficiaries' context and to reinforce national and regional training institution capacity. He reaffirmed the importance of the subject of migration, in relation to which consultations were being held with the European Union for implementing specific projects. Programmes for employment, particularly the one for young people, were being given special attention. The evaluation of activities, which made it possible to measure their impact, was also subject to cooperation with the specialist ILO department. He told the Board that contacts with the ILO Human Resources Department were continuing to involve the Centre in the training of headquarters staff.
70. *The Chairperson* pointed out that the Centre would have a leading role to play in the context of the reform of the United Nations system by promoting the Decent Work Agenda in development policies and capacity building for the different agencies and the constituents, in order to contribute towards achieving the Millennium Development Goals. Resident coordinator training programmes were envisaged with the UNDP. The Chairperson invited the Board to take a decision on paragraph 127 of document CC 68/6/b, on paragraph 50 of document CC 68/6/c, and to take note of document CC 68/6/a.

71. *The Board* approved paragraph 127 of document CC 68/6/b and paragraph 50 of document CC 68/6/c, and took note of document CC 68/6/a.

VI. Staff questions (Seventh item on the agenda)

72. *The Chairperson*, according to custom, invited the Board to listen to a speech by the representative of the Staff Union Committee (see annex).
73. *The Director* presented the documents relating to staff questions. Document CC 68/7/a dealt with amendments to the Staff Regulations approved by the Director over the previous 12 months by virtue of the authority delegated to him. Document CC 68/7/b dealt with the recommendations made by the International Civil Service Commission in its annual report to the United Nations General Assembly for 2006.
74. *The Board* approved paragraph 8 of document CC 68/7/b and took note of document CC 68/7/a.
75. *The Chairperson* informed the Board of the impending departure on 1 July 2007 of Mr. Eric Maertens, Executive Assistant to the Director of the Centre.
76. *The Director* reviewed Mr. Maertens' career at the ILO, which had begun in Latin America with CINTERFOR before he came to the Centre, where he had held a variety of positions. His work with headquarters departments and relations with the Centre's constituents and sponsors made him a central figure in the reform of the Centre undertaken in 1990 by his predecessor, Mr. François Trémeaud. During the several months in which he had worked with Mr. Maertens, the Director had been able to appreciate the importance and quality of his network of contacts and his capacity for analysis and forward thinking. He was also able to gauge his contribution to the formulation of the Development Plan. On a personal level, the Director highlighted his dedication and loyalty to the Organization.
77. *Mr. Maertens* thanked the Director of the Centre, the Government group and particularly the Government of Italy, as well as the Employers' and Workers' groups, for their continued support. The tasks he had been responsible for in the ILO and at the Centre could not have been accomplished without the support of all the Centre's staff and the formation of teams bound by the same ideal and the same passion. It was on their behalf that he felt pride in the work thus achieved.
78. *The Employer Vice-Chairperson, the Worker Vice-Chairperson, the representatives of the Governments of Belgium, the United States, Italy and Nigeria (on behalf of the African group) and Mr. Anand (Employer, India)* praised the quality and depth of the work accomplished and paid a personal tribute to him.
79. *The Chairperson*, joining with the many messages of acknowledgement from the Board, then also paid tribute to Mr. Maertens by saying that, since she had had the opportunity to work with him for several years at the beginning of his career, she readily confirmed and shared the feelings and praise expressed by the Board of the Centre.

VII. Other questions (Eighth item on the agenda)

80. *The Chairperson* informed the members of the Board that the Centre wished to test a procedure for distributing documents in preparation for Board meetings electronically, starting from the following meeting. Questionnaires were distributed for that purpose.
81. *The Employer Vice-Chairperson* returned to the wishes expressed during the session for two Board meetings to be organized during the year, and, as an alternative, proposed that

two annual meetings of the Officers of the Board of the Centre should be held, in addition to the regular Board meeting.

82. *The Chairperson* took note of the proposal and said that it was consistent with the proposal by the Workers' group.
83. *The representative of the "Organisation internationale de la francophonie" (OIF)* said that he was impressed with the work carried out by the Centre and pledged to endeavour to maintain and broaden working relations between the OIF and the Centre when he returned.
84. *The Chairperson* thanked the representative of the OIF and acknowledged that it would be for the mutual benefit of the Centre and the OIF.
85. In accordance with the usual practice, and taking into account the very short deadline, *the Chairperson* proposed that the Board delegate to its Chairperson the task of approving the draft report.
86. *The Board* approved the Chairperson's proposal.

VIII. Date and place of the next session (Ninth item on the agenda)

87. *The Chairperson* proposed that the 69th Session of the Board of the Centre be held in Turin on a date to be determined by the Officers of the Board before the 300th Session of the Governing Body of the ILO, which would be held in Geneva from 1 to 16 November 2007. The exact date would be communicated to members by the Officers of the Board, taking into account the other meetings of the ILO.
88. *The Board* approved the Chairperson's proposal.
89. *The Chairperson* closed the 68th Session of the Board of the Centre and thanked the participants heartily for their contributions.

Geneva, 7 November 2006.

Submitted for information.

Annex

Speech by the President of the Staff Union of the International Training Centre of the ILO in Turin to the Board of the Centre (3 November 2006)

Madame Chair, members of the Board, ladies and gentlemen,

The Staff Union Committee will start with a brief consideration about the animated debate which occurred yesterday concerning sick leave. The average sick leave figures at the Centre show not only a decreasing trend, but are also below the average figures of, for instance, the United Kingdom public sector (9.5 days per year for the local public sector and 9.1 for the national public sector). We take this opportunity to thank Mr. Blondel for his encouragement to staff.

On behalf of the Staff Union Committee, I am pleased to have the opportunity of addressing the Board of the Centre and of pointing out a series of issues that the Union considers essential to the development of the Centre in the short, medium and long term.

We note, with some concern, that recent changes to the United Nations system raise serious questions concerning efficient management, decent working conditions, respect for rights and principles, and distribution of resources. The world is changing, and the United Nations also needs to do so. Our view is that positive change within the United Nations system will only be possible through constructive dialogue amongst all the parties involved, including staff. We ourselves are committed to constructive dialogue with the management of our organizations to ensure better performance by the United Nations system as a whole.

We would now like to spotlight some issues concerning our own institution. A few months ago, the Director of the Centre changed. In our opinion, the signals we have received from the new Director are very positive and encouraging: a spirit of dialogue, open-mindedness, commitment and a combination of active leadership and a friendly approach to the staff are values that we appreciate very much, and that we share.

However, from our point of view, the challenges that the Centre is facing also require broader changes in the approach to management: a new managerial culture with appropriate doses of innovation, imagination and the capacity to take risks.

Accordingly, this Union has designed and presented to the staff and to the management a work plan for creating a more efficient, more competitive, more committed and better performing Centre.

The plan has four major aims:

- greater involvement of the staff in the development of the Centre and in improving the efficiency of the Staff Union itself;
- achieving equal opportunities and reconciling the demands of work and family;
- improving the quality of the workplace (new working methods, better ergonomics, health and security at work);
- good human resources development policies, and transparency and consistence in the in-house rules.

We wish to put three essential issues on the table.

- The Turin/Geneva relationship. The Centre plays an important role for the ILO and there is no doubt of the crucial importance of the ITC/ILO's affiliation to

headquarters. Nevertheless, when it comes to staff integration, rules and procedures appear to be applied subjectively. The long-standing aspiration of the staff to overdue “integration” with the rest of the Organization has not yet been met. We strongly encourage the Director of the Centre to proceed on the road to integration. Turin and Geneva staff are able to work together and should enjoy the same rights and obligations in terms of career opportunities and status.

- Last year, we stressed the need to reach the goal of 50 per cent of women in the Professional category by 2010. This goal is a long way from being achieved. We need a better balanced Centre in terms of gender, culture and language.
- Last, but most important, we think it necessary to pay particular attention to the stability and employability of the Centre staff, as the ILO recommends to its constituents. At the Centre, we are having difficulty keeping the jobs of people who have been working hard, for years, designing, developing and implementing successful projects and initiatives. We believe that these problems of job insecurity stem from an inadequate fund-raising policy. We are aware that the management is trying to develop new fund-raising strategies. A new, more dynamic approach, backed up by a wider spectrum of donors, would make the Centre more competitive and our jobs more secure, an essential aspect of decent work.

We consider these three issues to be priorities for fast action, and the Union is ready to play its part.

Madame Chair, members of the Board, ladies and gentlemen, your comments, suggestions and even criticisms of our point of view will be very welcome.

Thank you.