

Joint Donor-ILO Working Session on the Regular Budget Supplementary Account (RBSA)

**Monday, 28 September 2009
Meeting Room Elimane Kane ILO Headquarters (M3-south)
14:00-16:00 hours**

FINAL REPORT

The Joint Donor-ILO Working Session was organized as a follow up to the first Informal Meeting of ILO Donors on the RBSA that was held on 8 June 2009, which served to provide a better understanding of the functioning of the RBSA, and further enhance dialogue between donors and the ILO on the new funding modality.

The main objective of this Joint Working Session was to provide an opportunity to respond to any additional questions donors may have had on the RBSA, and that were not addressed during the 8 June meeting due to time constraints, thereby allowing the Office to benefit from the feedback of donors.

The meeting consisted of two Question & Answer sessions. Topics discussed included: (i) funding, priority setting and resource allocation mechanism; (ii) delivery, results and impact; (iii) monitoring and evaluation; and (iv) donor visibility and issues related to official development assistance (ODA).

This report includes:

- A Summary of the Question & Answer Sessions
- The Programme for the Joint Donor-ILO Working Session
- The List of Participants

Geneva, 28 September 2009

Summary of the Question and Answer Sessions

FUNDING, PRIORITY SETTING AND RESOURCE ALLOCATION MECHANISM		
Donor	Questions/ comments	Answers by the Office
Portugal	How does the RBSA integrate with efforts and funding provided for technical cooperation through extra budgetary resources?	<p>Technical cooperation is a means of action for the ILO, supported by different sources of funding such as extra-budgetary technical cooperation funds, regular budget technical cooperation funds and the RBSA. The ILO has made significant progress towards the integration of these different sources of funding, in order to optimise their use.</p> <p>These measures coincide with increased efforts to produce higher quality Decent Work Country Programmes (DWCPs), and to identify the priorities and existing funding gaps to cover them. These funding gaps form the basis for allocation of available resources. The RBSA is funding different priorities and gaps, two examples are:</p> <ul style="list-style-type: none"> (i) 'innovations', i.e. new areas that did not receive funding but need to be piloted, such as Green Jobs; (ii) priorities not covered, or not sufficiently covered by traditional funding, i.e. a high visibility priority which has not yet attracted sufficient resources, such as ILO's participation in the elaboration of United Nations Development Assistance Frameworks (UNDAFs) at the country level. Funding through joint programmes is often not easily accessible to the ILO, or it requires an upfront investment from agencies. RBSA resources enable the ILO to play a more active role in the United Nations Country Teams (UNCTs), and to mainstream decent work. In one particular case, RBSA resources enabled the ILO to take a lead role in a joint programme on youth employment in Africa; and (iii) in a number of countries where technical cooperation is provided through extra-budgetary resources, the RBSA has enabled the Office to make these interventions sustainable.

FUNDING, PRIORITY SETTING AND RESOURCE ALLOCATION MECHANISM		
Donor	Questions/ comments	Answers by the Office
Italy	What exactly is the process that the ILO follows for allocating RBSA resources, upon receipt of funds?	<p>The process piloted during the 2008-09 biennium should be distinguished from the revised process for the 2010-11 biennium, which takes into account lessons learned.</p> <p>The 2008-09 Programme and Budget (P&B) included estimates of funds per region and strategic objective (Table V). ILO's Bureau of Programming and Management (PROGRAM) referred to these estimates and notified the regional offices on the availability of funds and the corresponding share per region. The regional offices submitted RBSA proposals using a project proposal template and simplified budget format. They were asked to align allocations to DWCPs and the highest priorities within the regions and in relation to the strategic objectives. The quality of the proposals was assessed in consultation with headquarter units, and in some cases proposals were revised. PROGRAM submitted the analysis report of proposals received to the Director General, who in turn approved the specific allocations.</p> <p>For the 2010-11 biennium, outcome-based work planning will be introduced. Currently, regional offices are finalising their work plans, prioritising DWCPs and outputs, in relation to the 19 outcomes of the 2010-11 P&B. Work plans will lead to a discussion between Executive Directors and Regional Directors and detailed resource allocations will be produced under each outcome, and for all resources (i.e. regular budget, extra-budgetary resources, and the RBSA). A core result of this analysis will be the identification of resource gaps. ILO's Department of Partnerships and Development Cooperation (PARDEV) will closely follow this process. RBSA will therefore be allocated to priority outcomes.</p> <p>The outcome based work plans will therefore also serve as a means to better identifying funding gaps, which will be based on demand from countries and constituents, rather than on individual donor priorities or projects.</p>

FUNDING, PRIORITY SETTING AND RESOURCE ALLOCATION MECHANISM		
Donor	Questions/ comments	Answers by the Office
Germany	Will the Office set aside 20 per cent of RBSA resources in 2010-11 to further strengthen the knowledge base?	<p>While it is recognized that many headquarter units have been motivated by this prospect, however, the Office still has to ensure that RBSA funds are fully ODA-able and contribute to strengthening capacity of developing countries. It is true that headquarter units are eligible to submit RBSA proposals seeking funding in 2010-11, however they have to conform to the new outcome-based work plans and meet the ODA criteria.</p> <p>From another perspective, the headquarter-field dichotomy is at times unfortunate. On the one hand, there are already several examples of how the RBSA had resulted in greater collaboration between the field and headquarter units, including greater staff mobility. On the other, it would be a mistake to assume that the knowledge base of the ILO could only be constructed at headquarters. On the contrary, there is a strong need to further strengthen the knowledge base and knowledge-sharing within the regions, for instance by strengthening national capacities on labour market statistics. The Office highlighted how both headquarters and the field were required to work more closely together, to jointly deliver the results agreed with the tripartite constituents.</p>
France	Would it be possible to make an allocation from the RBSA to the International Training Centre of the ILO in Turin, Italy?	<p>Similar to other ILO units, allocations to the International Training Centre of the ILO in Turin, Italy, would be made in accordance with the needs and priorities established during the forthcoming outcome-based work planning. Representatives from the International Training Centre would be consulted on the preparation of each outcome-based work plan with a view to exploring appropriate opportunities for addressing capacity strengthening needs through the Centre. In line with results based management principles, RBSA would not be allocated to International Training Centre as a subsidy, but in return for specific contributions to capacity building.</p>

FUNDING, PRIORITY SETTING AND RESOURCE ALLOCATION MECHANISM		
Donor	Questions/ comments	Answers by the Office
United Kingdom	For the next biennium, the ILO has estimated spending USD 90 million through the RBSA. Is there any need to revise this figure?	Although the ILO has not yet secured these resources from donors, there is no reason to revise the estimate at present. The Office continues to encourage donors to move in the direction of the new aid architecture.
Poland	How does the Office intend to encourage Member States to channel contributions through the RBSA? What are the incentives for them doing so?	By demonstrating results! The RBSA is an innovative way forward to translate the principles of the Paris Declaration and the UN General Assembly resolution on the Triennial Comprehensive Policy Review into action. The Office recognizes the need to improve its ability to demonstrate and communicate RBSA results. Greater visibility for donors is something the Office is working on actively.

DELIVERY, RESULTS AND IMPACT		
Donor	Questions/ comments	Answers by the Office
Denmark	How will the ILO guarantee delivery within the planned implementation period for the RBSA, i.e. 2 years?	Delivery for 2008-09 should reach 70 per cent despite teething problems during the initial stages of the RBSA. These have been caused not solely on the part of the Office, but also due to the late arrival of RBSA resources and unforeseen exchange rate fluctuations. However, these flaws have been addressed, and the Office is convinced that RBSA would continue to be a firmly established source of funding for its means of action.
Germany	Have there been any delivery problems? If so, where do we stand, and have these problems been addressed?	<p>There have been delivery problems, linked to the teething problems of establishing a new innovative funding modality and getting procedures and processes straight. Heavy earmarking of some contributions has compounded these problems.</p> <p>Regional offices have also been overwhelmed by the additional burden of programming RBSA resources. While some RBSA resources had arrived early, others were received much later. Nevertheless, overall delivery of RBSA activities is estimated to be just as high as the average delivery rate of extra-budgetary funded technical cooperation projects and programmes.</p> <p>All Regional Directors were now fully onboard and had committed to a target of 70 per cent delivery. Another flaw that had been encountered during the early stages of the RBSA and has now been addressed pertained to a limited initial buy in from headquarter units and sectors.</p>
United Kingdom	Where the ILO has no country presence, National Coordinators have been appointed. How much influence can National Coordinators have in establishing priorities and identifying gaps during UNDAF negotiations?	The ILO has very few National Coordinators but is increasing their number, especially in countries where it is a non resident agency, in line with the conclusions of the Field Structure Review. It is often difficult to have ILO priorities included in the UNDAFs. It is also often difficult for National Coordinators to make their voices heard with United Nations Resident Coordinators. With regard to this, the ILO, also through its National Coordinators, is making efforts to increase the participation and influence of line ministries and the social partners.

MONITORING AND EVALUATION		
Donor	Questions/ comments	Answers by the Office
Norway	Does the ILO envisage following common reporting practices for all donors contributing towards the RBSA? How is the ILO going to align with donors priorities?	<p>Reporting is intended to be common for all RBSA donors. Financial reporting to the Governing Body will highlight individual contributions and in keeping with the intent of the RBSA structure, expenditure reporting will be at a consolidated level for each category within the RBSA matrix.</p> <p>The Office reiterated that implementation of the approved regular budget and the RBSA would be subject to common governance and oversight mechanisms, such as external and internal audit.</p>
Germany	Is there a special reporting process in place for the RBSA?	<p>The P&B is approved by all Member States and establishes priorities for RBSA and other resources.</p> <p>Reporting on the RBSA is done at two levels, i.e. (i) implementation reporting and (ii) financial reporting. The Implementation Report will illustrate results achieved. The ILO is currently working on improvements on the structure and presentation of the report. Revisions to the Implementation Report will be made taking into consideration consultations that have been conducted with constituents, and comments which have been received from the Industrialized Market Economy Countries (IMEC) group, and a number of donors. The Implementation Report has a limited, reasonable length and aims to maintain a sufficient level of detail to understand what the ILO is doing. It will therefore not contain detailed description of results at the country level. In 2008-09, the RBSA comprised of 5 per cent of ILO's overall resources. It will therefore not represent a large part of the Implementation Report. Yet the ILO is committed to communicating the value added of the RBSA. The report will include information on how the ILO has been able to allocate resources to priorities.</p> <p>The Evaluation Unit maintains a database of evaluations, and a summary report is presented to the Governing Body. While project evaluation reports are made available upon request, donors are able to access summaries of project evaluation reports through the Evaluation Unit's web page. The Evaluation Unit is aiming to strengthen the lessons learned from project evaluations, and make them available for improved future programming decisions.</p>

MONITORING AND EVALUATION		
Donor	Questions/ comments	Answers by the Office
The Netherlands	How will the ILO guarantee transparency in the use of RBSA resources? (IMEC will present a statement on this issue).	The ILO is committed to increasing transparency of its work and results. Currently, the Office is working on the finalisation of a first version of the Donor Dashboard as a means to make information from IRIS available to donors. Outcome-based work plans will further contribute to increasing transparency. The ILO P&B illustrates the results which the ILO has set out to achieve through the use of the various sources of funding. The aim is to combine funding to achieve overall results.
Denmark	Denmark participates in annual consultations with the ILO to review progress of its partnership. Despite a potential move for Denmark to contribute to the RBSA, there is an expectation that these consultations should continue. How does the ILO envisage addressing this request?	With most donors, the ILO is presently holding one-day review meetings on a regular basis, during which there is a joint consultation on progress and issues of common concern. This practice might need to be reviewed, to be optimized. A group of like-minded donors has already been formed. One proposal could be continue individual donor review meetings, or to hold annual consultations with groups of donors.
Netherlands	In light of the limitations of the lessons learned section within the Implementation Report, it is important to ensure that lessons learned from evaluations are fed into the development of future P&B proposals. IMEC would like to discuss this in light of the forthcoming evaluation of the ILO's independent evaluation function.	Five per cent of RBSA contributions have been set aside for the evaluation of RBSA activities. This has allowed the Office to expand the scope of the evaluation function. Five evaluation focal points have been recruited in the regions to support the monitoring and evaluation of DWCPs. Training tools have been developed, in consultation with PROGRAM and PARDEV. In addition to its focus on DWCPs, the evaluation function had also begun a review of project evaluations, with a view to identifying how systems and good practices could be further improved.

MONITORING AND EVALUATION		
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United Kingdom	<p>Would it be possible to make project evaluation reports publicly available? The Global Fund has initiated this good practice, which could help further strengthen confidence in the ILO and the RBSA.</p>	<p>All summaries of evaluation reports are currently made available on the public web pages. Some evaluation reports are made available upon request. This is in part related to the sheer volume of the reports, but also linked to the fact that some evaluation reports may contain information which could compromise the right to privacy of individuals or institutions concerned.</p> <p>The Office suggests that the ILO and its donors initiate a review of the funding agreements which they have entered into for the various technical cooperation projects that the Office currently implements. Some of these agreements may contain provisions that would prevent the Office from making evaluations of these projects public. If the Office and the donors can reach agreement on reviewing and amending these funding agreements, progress can be made with regard to making all evaluation reports publicly available.</p>

DONOR VISIBILITY AND ISSUES RELATED TO OFFICIAL DEVELOPMENT ASSISTANCE (ODA)		
Donor	Questions/ comments	Answers by the Office
Netherlands	There is a risk that since RBSA resources are not earmarked, they will not be directly attributable to eye-catching projects, as is often the case with technical cooperation funds (i.e. Better Work, Child Labour etc). How will the ILO make the RBSA an appealing funding mechanism for donors?	RBSA is actually directed to the highest priorities of the ILO. For example, technical cooperation projects which were ongoing had not been designed to respond to the needs presented by the financial and economic crisis. In the case of the RBSA, it has been possible to utilise it for high-priority interventions to address the crisis, which can certainly be considered not less visible or 'eye-catching' than those funded by traditional technical cooperation.
Netherlands	How can the individual Governments receive credit for the funds they channel through the RBSA?	The ILO has probably invested less on the visibility of its actions when compared with other agencies. A first step towards increased visibility is the Donor Dashboard. However the ILO recognises the need to engage further and make the RBSA more visible, for which additional measures need to be put into place. Suggestions are welcome.
Denmark	How does the ILO intend to increase visibility for the RBSA contributions received from donors?	
Belgium	The Government of Belgium would sponsor a motion in the OECD/DAC Committee to ensure that all RBSA funds provided to the ILO would be counted as fully ODA-able.	The Office would ensure that RBSA funds would contribute to activities in countries on the OECD/DAC list of ODA-able countries. Contact has already been established with the OECD/DAC and further information on the RBSA will be provided to the Committee for their consideration in the coming months.

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FINAL PROGRAMME

Time	Session
14:00	Opening remarks: Ms. Alette van Leur, Director, Department of Partnerships and Development Cooperation
14:15	Question & answer session <i>- Suggested topics include reporting, evaluation, monitoring and oversight on the RBSA</i>
14:50	Break for tea/coffee
15:10	Question & answer session (continued)
15:45	Closing

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LIST OF PARTICIPANTS

AUSTRALIA	<p>Mr. Greg Vines Minister Counsellor, Labour Affairs Permanent Mission of Australia</p>
BELGIUM	<p>Ms. Michèle Deneffe Counsellor Permanent Mission of Belgium</p>
DENMARK	<p>Ms. Aino Askgaard Attaché Permanent Mission of Denmark</p> <p>Ms. Sofie Boudigaard Nielsen Intern Permanent Mission of Denmark</p>
FINLAND	<p>Mr. Ville Lahelma Second Secretary, Labour, Migration, and Humanitarian Affairs Permanent Mission of Finland</p>
FRANCE	<p>Mr. Albert Allo Counsellor Permanent Mission of France</p>
GERMANY	<p>Mr. Klaus Guenther Desk Officer International Labour Organization and United Nations Division Federal Ministry of Labour and Social Affairs</p>
ITALY	<p>Ms. Mariangela Zappia First Counsellor Permanent Mission of Italy</p> <p>Mr. Alessandro Siclari Intern Permanent Mission of Italy</p>

JAPAN	<p>Mr. Nobunao Tagaya Counsellor Permanent Mission of Japan</p>
KOREA	<p>Mr. Mino Jung Labour Attaché Permanent Mission of Korea</p>
NETHERLANDS	<p>Mr. Ferdinand Francken Senior Policy Advisor UN and International Financing Directorate Ministry of Foreign Affairs</p> <p>Mr. Edo Driessen First Secretary Permanent Mission of Netherlands</p>
NORWAY	<p>Ms. Gry Karen Waage Counsellor Permanent Mission of Norway</p>
POLAND	<p>Ms. Magdalena Nojszewska-Dochev First Secretary Permanent Mission of Poland</p>
PORTUGAL	<p>Mr. António Valadas da Silva Counsellor Permanent Mission of Portugal</p> <p>Ms. Joana Henriques Expert Department of Development Co-operation Ministry of Labour and Social Solidarity</p>
ROMANIA	<p>Ms. Alexandra Spânu Third Secretary Permanent Mission of Romania</p>
SPAIN	<p>Ms. Marta Rodríguez- Tarduchy Counsellor, Labour and Immigration Permanent Mission of Spain</p> <p>Ms. Natalia Martí Niklewitz Council of Labour and Immigration Permanent Mission of Spain</p>

SWITZERLAND	Ms. Sarah Vollenweider Intern Permanent Mission of Switzerland
UNITED KINGDOM	Mr. Simon Bland Counsellor Permanent Mission of the United Kingdom Mr. Nathaniel Wapshere Second Secretary Permanent Mission of the United Kingdom
INTERNATIONAL TRADE UNION CONFEDERATION	Ms. Esther Busser Assistant Director International Trade Union Confederation
INTERNATIONAL LABOUR ORGANIZATION	Mr. Sergey Popello Senior Programming Officer Bureau for Workers' Activities Mr. Enrico Cairola Programme and Operations Specialist (Technical Cooperation) Bureau for Workers' Activities Ms. Carole Logan Director Evaluation Unit Mr. Francisco Guzman Senior Evaluation Officer Evaluation Unit Mr. Greg Johnson Director Financial Services Department Mr. Adnan Chughtai Chief Budget and Finance Branch Mr. Antonio Graziosi Director of Training Programmes International Training Centre, Turin Ms. Alette van Leur Director Department of Partnerships and Development Cooperation

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