



FOURTH ITEM ON THE AGENDA

**International Training Centre
of the ILO, Turin****(b) Report of the 63rd Session of the
Board of the Centre
(Turin, 30-31 October 2001)**

1. *The Director of the Centre* welcomed the members of the Board. He informed them that the Director-General of the ILO, Mr. Juan Somavia, greatly regretted that he could not chair this session of the Board of the Centre due to preparations for the Global Employment Forum which was to take place in Geneva from 1 to 3 November. He asked the Worker Vice-Chairperson, Mr. Rampak, to state the results of the consultations that had taken place among the Vice-Chairpersons of the Board concerning the chairing of this session.
2. *The Worker Vice-Chairperson* expressed regret at the absence of the Director-General but proposed that Mr. Owuor, the Employer Vice-Chairperson, preside over the session. He drew attention to his long experience on the Governing Body of the ILO and his excellent knowledge of the Centre. The Board approved this proposal.
3. *The Chairperson* thanked the Worker Vice-Chairperson and the Board for their trust. He welcomed all the members, especially those attending for the first time. Given the importance of certain matters, in particular the implementation of the Third Development Plan, he proposed a change in the agenda. He suggested that items 4 (Operationalization of the Third Development Plan), 3 (Report of the Trade Union Training Committee and of the Management Training Committee) and 6 (Staff questions) be dealt with during the present session, and that items 1 (Director's report on the activities of the Centre in 2000-01 and perspectives for 2002), 2 (Report on the implementation of the programme and budget for the current financial year (2001), and programme and budget proposals for the 2002 financial year) and 5 (Agreement between the United Nations and the International Labour Organization on the United Nations System Staff College) be debated at the session on 31 October.
4. *The Worker Vice-Chairperson* congratulated the Chairperson on his election. He suggested that the agenda proposed by the Chairperson be modified to take into account the late distribution of the documents concerning items 2 and 4. The Workers' group wished the

Director's report (item 1) and item 3 to be dealt with in the current session, with the remaining items being examined during the session on 31 October.

5. *The Chairperson* noted that the Board accepted this proposal and that the auditors wished to present their report at the beginning of the session on 31 October.
6. *The representative of the City of Turin*, Mr. Dealessandri, thanked the Chairperson and conveyed the greetings of the Mayor, who regretted that he could not take part in the work of the Board. He confirmed that the City of Turin had supported the Centre since its creation. He stressed that Turin wished to be an international city and that the Centre was a major factor in this. In line with the decisions of Turin's Municipal Council, that had approved the list of Olympic sites and villages for the athletes and the media, he confirmed that the campus had been definitively included in the list of projects which would receive funds under Law No. 285 for the Olympic Games. The total cost of the works envisaged by the project was 32 billion lire, 22 billion of which came from Law No. 285 and ten billion from the City of Turin. In accordance with the Law, the works in question would be adjudicated by the "Agenzia Torino 2006". The project envisaged the renovation of the residential facilities of the Centre and of certain support infrastructure. Once the work had been completed, some 270 bedrooms would be available and newly refurbished. The City of Turin would also allocate around 1 billion lire to bringing the Centre's electrical system up to standard. Work would begin at the end of 2001 or at the beginning of 2002. Moreover, following the steps taken by the Centre, he confirmed that the municipal authorities, the Piedmont Region and the central Government were aware of the need similarly to upgrade the teaching and office facilities. The major obstacle was the cost of carrying out this whole series of works, but solutions had been found thanks to the joint effort of the City of Turin and the Piedmont Region, who aimed to bring the Italian Government and Turin-based foundations into this endeavour in order to harness the necessary funds. The City of Turin's favourable decision in this regard was made formal following the approval of the Municipal Council. In addition, the Piedmont Region had also elicited a resolution from its government that attributed 6 billion lire to this operation. Lastly, a letter signed jointly by the Mayor of Turin, Mr. Chiamparino, and the President of the Piedmont Region, Mr. Ghigo, had been sent to the Ministry of Foreign Affairs this week to ask the Italian Government to allocate one third of the sum necessary for these works, the balance being sought from the Turin foundations. He concluded by pointing out that the Centre's recent activities had rooted it more firmly in the local environment, in particular thanks to closer cooperation with the University of Turin. These actions strengthened the international vocation of the city and of the Region, and highlighted Turin's spheres of excellence.
7. *The Chairperson* thanked the representative of the City of Turin for his hospitality and his support, and called upon the representative of the Region to address the meeting.
8. *The representative of the Piedmont Region*, Mr. Garelli, greeted the members of the Board on behalf of his President and expressed his pleasure at participating in the Board. He stressed the international impact of the Centre's activities, which placed the Piedmont Region in the forefront of Italian regions. He wished the Centre's activities to reflect the priority objectives of the ILO. The other projects to which the Region had made a contribution were, notably, the development of the Staff College Project and the organization of a Master's degree course in Management of Development in conjunction with the University of Turin. He was pleased with the joint undertaking with the City of Turin that would contribute to the renovation of the campus, starting with its residential facilities.
9. *The Chairperson* thanked the representative of the Piedmont Region for his support and called upon the representative of the Government of Italy to address the meeting.

10. *The representative of the Government of Italy* reaffirmed the Italian Government's full support for the Centre, for its management and for its staff which, thanks to their energy and their enthusiasm, had carried out a radical transformation of the Centre in ten years. Furthermore, he was pleased that the Centre had managed to adapt successfully to the needs of developing countries and to increase the number of activities on their behalf while keeping its finances in balance. In addition, he was very happy that the Centre had managed to meet the need to decentralize training. He noted that the number of participants had increased and that the efforts made in the domain of tripartism had borne fruit. The Centre had thereby succeeded in gaining the trust and esteem of its international partners. He approved of the enhanced collaboration between the ILO and the Centre, which was manifest in greater use of the Centre to train staff from headquarters. The Government of Italy demonstrated its satisfaction with the evolution of the Centre's activities through the heightened increase in its financial contribution. He hoped that the ILO would do the same so as to demonstrate greater support for the Centre and enhance its capacity to deliver distance training.
11. *The Chairperson* thanked the representative of the Government of Italy for its constant support and underlined the importance that the Centre embodied for developing countries. He called upon the representative of the General Directorate for Cooperation and Development of the Italian Ministry of Foreign Affairs to address the meeting.
12. *The representative of the General Directorate for Cooperation and Development* assured the members of the Board of the support of the Italian Ministry of Foreign Affairs for the activities of the Centre, of the Staff College, and of the ILO.

I. Director's report on the activities of the Centre in 2000-01 and perspectives for 2002
(First item on the agenda)

13. *The Chairperson* invited the Board to examine Document CC63/1 (Director's report on the activities of the Centre in 2000-01 and perspectives for 2002).
14. *The Worker Vice-Chairperson* declared:

On behalf of the Workers' group, I would like to congratulate the Director on his comprehensive report and reiterate that our group considers the Centre to be a crucial instrument for the ILO's fulfilment of its mandate.

We are also pleased to note that the ILO Director-General has visited the campus several times in the past year, most recently to participate in the workshop dedicated to the Decent Work Agenda.

The Workers' group took note that – contrary to forecasts – the current report shows that the total number of activities and participants, both in-house and in the field, did not rise in 2000, but we are very cautious about statistics that present only general data and about policy that focuses mainly on quantitative growth.

More relevant it is to read the delivery of the Centre in terms of the four strategic objectives. If we regroup the activities tabled in Chart D in relation to these criteria, we notice that sector 1 accounts for 7 per cent; sector 2 for 42 per cent; sector 3 for 7 per cent; and sector 4 for 14 per cent. This imbalance was already reported at the previous Board meeting and we would like to hear a comment by the Director on how he intends to address this issue.

It should also be made clear that workers' participation in the Centre is mainly related to the ACTRAV programme (433 participants) and only 210 participants were trained in 2000 by

other technical/regional programmes. Only the financial support of the Bureau for Workers' Activities made this large workers' programme possible.

The Workers' group welcomes the fact that the different areas covered in the report are now presented in relation to the four strategic ILO objectives and the two cross-cutting issues (gender and development), and we also appreciate the desegregated data on workers'/employers' participation in the Centre's various training activities presented for the first time (tables 4 and 5).

In addition to these improvements, the Workers' group would like to propose the following changes to be included in the next report:

- More precise information on the profile of the target groups invited to the Centre. The data provided by country is not sufficient. If we deduct from the total number of participants (7,660), employers' and workers' representatives (908), we are left with a figure of 6,752 participants (88 per cent of the total); also, in terms of participant days, 90 per cent of training is not related to workers'/employers' participation. The Director's report could fill the gap on the profile of these participants, and the new management information system adopted by the Centre should be the tool to supply this information.
- Annex tables to the report introducing: (a) desegregated data on workers'/employers' participation in each technical/regional programme; (b) bipartite and tripartite curricula/activities delivered in each programme; and (c) clear data on women's participation in each course.

Regarding the process of evaluation, the Workers' group believes that we need a concrete review of the real impact of the activities on the constituents' organizations. The management of the Centre should also make sure that training always uses the full parameters of the decent work paradigm.

Training programmes that never mention labour standards and fundamental workers' rights are incompatible with the work of the ILO and could easily be carried out in other private management training institutions. This is why we ask the Director to establish management tools that would enable the Centre to monitor, and later evaluate, in all courses, the presentation of the ILO core issues (not just a routine brief introduction at course openings).

Next year the Board should receive detailed information on the inclusion of these topics in all training activities of the Centre.

The Workers' group welcomes the initiative of the Director of the Centre on the follow-up to the ILO Declaration on Fundamental Principles and Rights at Work with the beginning of a crucial project on freedom of association within the Technical Programme on International Labour Standards and Human Rights; this programme should be fully institutionalized.

The Centre – specifically due to its training nature – is also the perfect place to take the work related to the whole family of international labour standards further. As we mentioned, while the core Conventions should be a minimum common denominator, all Conventions (for example, sectoral ones, especially those on H&S) should find fertile ground in the Centre's curricula, with a wide dissemination of their knowledge and a push for their ratification and implementation.

The Workers' group is not happy to report that in the strategic area of staff mobility, no change of policy has taken place, an issue raised several times. Staff integration/mobility is related to the institutional framework of the Centre and should be urgently addressed.

The Workers' group would like to express its appreciation of the increase in women's participation in training compared with 1999. Regarding those regions that have not registered such augmentation (Africa and Asia) a much more critical analysis has to be done. In this regard, while welcoming next year's planned gender-related activities for Africa (page 30), we cannot accept this as a short cut to promoting women's participation in training courses: women should participate equally in all activities in all regions!

We reiterate our commitment to supporting the development of the technical programmes on international labour standards, social security, working conditions and occupational health and safety as well as social dialogue.

We appreciate the impressive development of the DELTA programme and its close cooperation with the Programme for Workers' Activities to develop new software for distance education for developing countries (the "Course Reader").

We noted last year that promotion of cooperatives had disappeared from the list of activities of the Centre. We believe that – especially when discussing the informal economy and micro-enterprises – the cooperative model can be of great value for the different actors, and we would like to see a firm commitment by the Centre to this field. The Workers' group believes that there is an intrinsic contradiction in terms in the expression "decent work in the informal sector" quoted on page 14. We believe that the informal economy (not a sector, since it covers several) clearly lacks the elements that make work "decent" (basic rights, health and safety, social security, etc). This is why we think the goal of the Enterprise Development Programme to promote "the creation and upgrading of quality jobs in ... the informal sector" is an oxymoron and why we would prefer a priority subject area so defined: "From the informal economy to decent work".

The Workers' group last year also requested desegregated gender data indicating very clearly how many women take part in the different training activities at headquarters and in the field, in order to specifically address those regions (where appropriate, countries) and those programmes that are lagging behind. We now reiterate this request.

The year 2002 will be particularly important for the Centre because it marks the beginning of the third five-year Development Plan.

This is why we suggest convening the members of the Management Training Committee and the Trade Union Training Committee, possibly during the March 2002 Governing Body, in order to make a first assessment of the implementation of the guidelines designed for the five-year period.

We would like to propose that the Director-General visit the campus in the near future together with the Officers of the Board, in order to:

- (a) Discuss further how the new structure of the Centre could support the implementation of the strategic objectives of the ILO.
- (b) Change the delivery structure of the ITC-ILO by substantially increasing bipartite and tripartite training activities.
- (c) Define procedures by which to integrate the ILO policy orientations into curriculum development.
- (d) Discuss the possibility of devoting to training a percentage of the extra-budgetary resources available within the ILO's technical cooperation.
- (e) Better integrate the general communication system between the Centre and the Geneva headquarters (for example, the email system).

Finally, the Workers' group would like to have further clarification on the following issues:

- Regarding the sources of funds (Table 6, page 5 and Chart C), we believe that the information provided is relevant but not sufficient. First we need to have a comparative chart (covering at least 2-3 years). We would also like to receive more precise information on the projects financed by the World Bank (US\$1.3 m), in particular to know if they include reference to core labour standards, as well as other major projects covered by "Direct Trust Funds" (US\$3 m) and "Other bilateral donors" (US\$ 4 m). Further clarification is also required on the projects financed by the European Union.
- Information about the eventual overlapping between the Centre's Enterprise Development Programme and the new Employers' Activities Programme; now that the new programme has been established, we need to clarify areas which might have been blurred.
- In relation to the capacity of the Centre to respond to tendering opportunities, we would like a full list of the twelve projects awarded. More transparency and accountability are needed to achieve good governance; tools could include the establishment of a Tenders Committee and the posting of the decisions taken on the web-site."

Last but not least, the Workers' group would like to thank the Municipality of Turin, the Piedmont Region and the Italian Government for the restructuring of the Centre's infrastructure and facilities due to start in the near future.

15. *The spokesperson for the Employers' group (Ms. Sasso-Mazzufferi)* thanked the Centre and the Italian authorities on behalf of the Employers' group. She reaffirmed that the Centre was a living part of the city and that its full integration into the heart of the city and of the Region would benefit each of them. Concerning the report, she congratulated the Director and raised four points that seemed particularly important to her. These were: the enhancement of participation by women and the social partners in the Centre's activities; the integration of these activities with the ILO's strategic objectives; the promotion of distance learning activities; and, lastly, the attempt to make evaluation procedures simpler and ever more powerful. Looking at paragraph eight, she noted that whereas the overall volume of the Centre's activities had fallen in 2000, the number of activities and participants forecast for 2001 was up (paragraph 202). She underlined the numerous positive points mentioned in the report, such as the Centre's rate of success in calls for tender, which demonstrated its competitiveness at the international level; the rise in the number of tripartite activities from nine in 1999 to 35 in 2000; the impressive results of the DELTA Programme, which she hoped would eventually cover regions other than Latin America; the activities for employers, whose programme should grow to match that for workers. In response to one of the remarks of the Worker Vice-Chairperson, she invited the members of the Board not to confuse the Enterprise Development Programme with that for employers: in fact, the first one concerns the development and the competitiveness of the enterprises which benefits not only employers but the workers as well. Furthermore, she stressed that employers, especially those with small and medium-sized enterprises (SMEs), were also confronted with the challenges posed by the phenomenon of globalization. In her opinion, proper training of employers could help to counterbalance the difficulties in order to cope with the stronger competition and to allow the enterprises – above all SMEs – to survive, avoiding them disappearing from the market and negative repercussions also upon workers. Turning to paragraph 207, she supported the training of experts in freedom of association as regards both workers' organizations and employers' organizations as a means to contribute to the adoption of fair political, social and economic measures, as well as to a better functioning democracy. Finally, as regards evaluation, the Employers' group shared the idea expressed in paragraph 153 that a rate of evaluation of activities of 80 per cent should be achieved.
16. *The representative of the Government of Malaysia* was happy to note, in paragraph 23, that the Centre had launched an evaluation of activities in the field. He invited the Centre to conduct follow-up evaluations a few months after courses ended. He pointed out that the current slowdown in the world economy might generate training needs that the Centre could meet.
17. *Mr. de Arbeloa (Employer, Venezuela)* mentioned the tragic events of 11 September 2001 and their repercussions on the work of the ILO. He regretted that the Director's report, despite its excellent quality, had arrived a little late. He supported the speech of the spokesperson for the Employers' group, and was particularly satisfied that a good balance between employers' activities and workers' activities was being sought. He asked for confirmation of the number of 54 Haitian participants and regretted the fact that the Netherlands Antilles, on the other hand, had had no participants. He noted the low rate of participation by countries far from Europe, particularly Venezuela, and remarked that the high cost of transport should be compensated one way or another as a matter of fairness. Commenting on the Director's report, he suggested that priority sectors such as social dialogue and employers' activities (paragraph 28) be strengthened. He would like to see a reference to Cinterfor (paragraph 34) and an effort made to disseminate the standards mentioned in paragraph 39 among national parliaments. Concerning paragraph 43, he declared himself fully satisfied with the tailor-made training that had been proposed for

legal practitioners and university teachers. He recognized the important role of women (paragraph 47) and hoped that the problems of poverty, unemployment and jobs would be taken into account. He underlined the role played by ACT/EMP (paragraph 53) in this respect. He asked for greater support to arrive at equality and balance between the activities proposed for workers and those proposed for employers. Concerning paragraph 207, he drew the Board's attention to the notions of trade union freedom and freedom of association, and the interpretation given to these concepts. He suggested that the term "freedom of association (*libertad de asociacion*)" be used henceforth to avoid the threats that weighed in Spanish-speaking countries in terms of freedom of association (*libertad sindical*) understood to be only freedom of trade union associations. He was content that renowned universities were involved in the Centre's courses (paragraph 237) and suggested involving universities in the Latin American region, Venezuela in particular.

18. *The representative of the Government of Portugal* congratulated the Director and all his team. Having analysed the report and the trends it reflected, he reckoned that the impact of the changes that had taken place was more important than the raw data, and stated that the Centre was well on the road to greater cohesion with the ILO's strategic objectives (standards, social dialogue, ILO in-house training and the international market). He stressed that the current phase of economic globalization and recent international events offered the ILO a unique opportunity which it must prove capable of taking. He mentioned the positive feature of greater participation by the social partners and an increase in activities devoted to employers. He was happy that distance learning had been consolidated, thus enabling training costs to be cut. He regretted that impact evaluation was still underdeveloped and urged the Centre to move further in this direction. He noted with satisfaction that 600 participants from Portuguese-speaking countries had been trained at the Centre and that most of this training had been conducted in Portuguese. Finally, he hoped that his government would progress from selective support for the Centre to a more structured framework of active partnership.
19. *The representative of the Government of Brazil* congratulated the Director and his staff for the wealth of information and data provided in the report. She noted the increase in the Centre's activities with satisfaction and stressed the importance of the field of safety and health. She hoped that other technical sectors would be developed (paragraph 44) and underlined the importance of increasing participation by women which, in her eyes, should become a natural phenomenon.
20. *The representative of the Government of Burkina Faso* thanked the Director for the quality of the document. He was pleased with the Centre's satisfactory balance and its drawing closer to the mandate of the ILO. He would encourage an enhancement of the interdependence between international labour standards and economic and social development. He regretted the fall in participants from Africa and asked that an effort be made to institute specific long-term projects with that continent. He would appreciate more information about the DELTA Programme and about the so-called embryonic programmes.
21. *Mr. Kara (Worker, Israel)* endorsed the speech of the Worker Vice-Chairperson. He stated that although distance learning should not replace traditional training, it should be highlighted because it was an innovatory and significant instrument. He asked for efforts to be made to increase the number of participants and was worried by the 30 per cent fall in the number of African participants. On the other hand, he appreciated the increase in the overall number of participants. He pointed to the encouraging figures in table 6. He hoped that the number of posts would be increased to encourage the training of employers and was happy that efforts to improve the renovation of the Centre and ensure pleasant surroundings for participants were continuing. Concerning tripartite activities, he pointed

out that a great deal remained to be done to enhance the visibility of employers and workers at the Centre, and he encouraged the development of social dialogue.

22. *Mr. M'Kaissi (Employer, Tunisia)* supported the declaration by the Employers' spokesperson. He thanked the Director for having acted upon the comments made the previous year, and underlined how that encouraged even greater collaboration. He stated that the Centre's activities and programmes should be increasingly future-oriented and should adapt to evolving needs. Africa's enterprises had to deal with international developments and the Centre should contribute to encouraging the creation of decent jobs that would ensure social peace. The employers' representative from Tunisia noted with satisfaction the collaboration with ACT/EMP and asked the Centre to ensure greater participation by African employers to give them the means to meet the demands of globalization. He thanked the representatives of the Italian Government, of the City of Turin and the Piedmont Region for their support and their financial contributions, together with the organizations and donor countries that supported the Centre. He finished his speech by congratulating the Director of the Centre and his staff.

23. *The representative of the Government of Slovakia* spoke first on behalf of the group of central and eastern European countries. He hoped for an increase in the number of activities held in those countries and pointed out that with 20 per cent unemployment in the region, there was a real need to reinforce training activities there. This meant not only the training activities of the Centre but also those of the European Social Fund and of the European Union, since certain of these countries were undertaking an active process of joining the European Community. Closer collaboration with the Centre would accordingly be welcome. He stressed the urgent need for the ILO to increase its financial contribution to the Turin Centre, which he described as a "jewel". In his capacity as the representative of the Government of Slovakia, he recalled the visit to the Centre, in April 2000, by the Minister of Labour and the signing of cooperation agreements, especially to train labour inspectors and disabled workers, and he now hoped that these agreements would be rapidly put into effect. He declared that Slovakia and other countries in the region were ready to help the Centre in certain specific domains (DELTA, IPEC and collaboration with the Technical University of Slovakia). He pointed out that numerous areas of activity had yet to be developed and asked donor countries to support this region and thereby help it to maintain political stability.

24. *Ms. Coletti (Worker, Italy)* said she was concerned about the evaluation of the Centre's activities. The ambitious path chosen in this area by the Centre was the right one and could not but contribute to maintaining the Centre's level of excellence. The assessment of learning was both difficult and important. True assessment was difficult but not impossible. She stated that the most crucial of the Centre's projects was to achieve cohesion with the strategic objectives of the ILO and that the long-term repercussions of training should be evaluated with this in mind. She declared that the more difficult evaluation seemed, the more attention it required, and mentioned the value of involving the social partners in this process. She declared that the eradication of poverty must be one of the Centre's objectives but should never be to the detriment of the participation of women. On the contrary, since poverty was being feminized, the two problems should be dealt with together. As regards the potential confusion pointed out by other speakers between the enterprise programme and the employers' programme, she endorsed the comments of the Worker Vice-Chairperson. Regarding the Programme for Workers' Activities, she pointed out that two-thirds of workers' activities had taken place thanks to the support of ACTRAV. The Freedom of Association Programme is at the heart of the Centre's activities. It is a first step that must be strengthened because it has repercussions on the whole world of industry. She concluded by asking for this Programme to become more and more interactive.

25. *Mr. Lambert (Employer, United Kingdom)* supported Ms. Coletti's position on evaluation, an essential factor that made it possible to guarantee that training met the needs of the ILO's constituents. He acknowledged that the Director's report on the activities of the Centre had indicated honestly the successes and difficulties encountered. In his opinion, the best assessments were those conducted in two phases: the first immediately after training, and the second at least six months later. Concerning the activities of the employers' programme, he noted that the report had omitted to mention, probably because of printing deadlines, the twelve activities that were going to be held before the end of the year. He would like them to be added as an addendum so that the work of this newly launched programme could be viewed in detail.
26. *The representative of the Government of El Salvador* thanked the Italian Government for its support and the Director for the quality of the report on the activities of the Centre. She appreciated most particularly the enhanced participation by women and thanked the Director for having taken on board the observations made during the 62nd Session of the Board of the Centre. The participation of the Government of El Salvador in the course on international labour standards had been very fruitful and had enabled wide dissemination of the teaching on the core Conventions among universities, workers' organizations and employers' organizations.
27. *Mr. Miranda Oliveira (Worker, Brazil)* stressed the importance of using the concept of trade union freedom rather than that of freedom of association. Without wishing to reopen the debate on that subject, it had to be said that the concept of trade union freedom had a far wider impact than that of freedom of association, which made it very important in the eyes of the workers.
28. *Mr. Wade (Employer, Senegal)* reiterated the congratulations and thanks expressed by the previous speakers. He highlighted the importance of the efforts needed to promote activities in the field which would curb the drop in the number of African participants caused by high travel costs.
29. *The representative of the Government of France* thanked the Director of the Centre for the quality of his report and noted that the Turin Centre had succeeded in following the strategic line of the ILO, particularly in the policy of technical cooperation development in which the Centre had a primordial role to play. He wished to ask a number of questions to clarify certain matters mentioned in the report. These primarily concerned training objectives. In order to be as close as possible to the ground, the Government of France asked itself how training needs were assessed among constituents and in the technical services of the ILO. He wished to know whether the Centre was systematically consulted when the ILO's technical services set up technical cooperation programmes so that it could contribute in the areas in which it was competent. Concerning social protection, he was very pleased with the actions taken, especially on the administration of social security schemes, pension scheme reform and social security funding. However, occupational safety and health measures had only been structured in 2000 and the representative of France wondered whether these sectors were scheduled for development. He pointed out that accidents at work killed one million people each year. He questioned whether the ILO's training body was the right one to run the European ADAPT programmes designed primarily for Italy. Concerning the organization of training, he wished to be informed as to the existence of conventions with local training bodies that would enable training activities under the control of the Centre to really take root in the field. He stressed that this approach would make it possible to give even more importance to activities to train trainers and further enhance their skills. As regards training technology, the representative of the Government of France praised the DELTA Programme and the use of the Internet. He suggested that the Centre examine a new system that France had been developing with Morocco using an Italian television channel. The evaluation of training quality (end-of-

course evaluation, learning evaluation and project evaluation) seemed to be a permanent concern that was correctly met by the Centre. Nevertheless, the evaluation of the effects of training in relation to its objectives remained insufficient and hard to achieve. It was desirable that methods for analysing the impact or effects of training be devised when a training project was first discussed. As regards resource persons for training, he proposed that those countries with long experience of bilateral technical cooperation and hence long experience of recruiting training experts should make available a list of experts upon whom the Centre could draw. In conclusion, he hoped that the Turin Centre would be systematically associated with the programmes undertaken by the ILO's technical services in the framework of its competencies.

- 30.** *The representative of the Government of Germany* thanked the Director of the Centre and stressed that the Centre was at an initial phase as regards evaluation. In terms of technical programmes, he specified that the fields of social protection included social security but also other subjects such as workplace health and safety. He hoped to see this sector strengthen. As for social dialogue, he stressed that it was necessary to try and understand what its objective was. The programme presented in paragraph 63 had been launched in January 2000 and was still in its initial phase. When it came to evaluating it, it would be necessary to include the other programmes that derived from it. Concerning paragraph 65 on the Centre's training activities in the field of public sector management, he stated that the Centre had already played an important role and that these efforts should be intensified to keep pace with public sector and civil service reforms. He revealed that urgent meetings had taken place at the ILO on tourism and civil aviation to analyse the repercussions of the current crisis in those sectors. He stressed that the Centre had a role to play in these situations. He shared the point of view of the representative of the Government of Slovakia in that he regretted the relative lack of activities in central and eastern Europe and in central Asia. Although training had taken place in certain countries, there was a need to cover the region more broadly. These efforts should concentrate on training officials in those countries. He concluded by informing the Board that Germany would finance a project in Belarus for workers and trade unions, and he highlighted the Centre's important role in supporting that project.
- 31.** *The representative of the Government of the Libyan Arab Jamahiriya* added his own congratulations on the report, which contained important data and information. He thanked the Italian Government and the Turin authorities for the support they gave to the Centre. He endorsed the comments of the Workers', Employers' and Government groups and made a point of affirming the importance of equality of opportunity to participate in the training programmes. He added that his country had need of those training programmes and hoped that the Centre would collaborate with his Government in the fields of employment and of labour market organization. He appreciated the rise in the participation of women and highlighted the importance of social protection programmes, given the current trend for certain countries to downplay it.
- 32.** *The representative of the Government of the United States* thanked the City of Turin, the Piedmont Region and the Italian Government for their support and their welcome. She wished to obtain more detailed information on the management of evaluation projects at the Centre and on the division of training activities between the Centre and the field.
- 33.** *The representative of the Government of Ethiopia* joined in the congratulations and extended them to all the Centre staff. He stressed that as well as capacity building, humanitarian assistance should be taken into account. He asked that attention be given to the negative repercussions of the fall in the training of African women. He regretted the shrinking number of African participants and, like the representative of Burkina Faso, wished the reasons for this reduction to be analysed.

34. *The Chairperson* thanked all the speakers for the high quality of their speeches and invited the Director of the Centre to answer the questions they had asked.
35. *The Director of the Centre* thanked the Chairperson and the speakers for the interesting and varied nature of their questions and for their positive remarks about the report. He made it clear that he would concentrate his reply on five main topics that covered the essence of the questions posed, namely: (a) the balance among the Centre's programmes; (b) the various regional components and activities in the field; (c) evaluation; (d) sources of funding; and (e) integration with the ILO, particularly the important issue of staff mobility. First of all, concerning the balance among the different programmes (a), the Director highlighted the rapid evolution within the ILO of the NORMES Programme, which received 50 per cent of the ILO's funds. This sector, which did not exist seven years ago, had become the number one sector in the ILO: more than 40 training activities on international labour standards and fundamental rights had been held at the Centre in 2001, which brought the number of participants trained from 387 in 2000 to 680. Whereas Sector 2 was shrinking slightly, Sectors 3 and 4 were growing slightly, which showed that the balance among the programmes was shifting in favour of Sector 1, as at the ILO. A programme had been set up at the Centre to complement the technical cooperation efforts that the ILO would be undertaking to follow up the global report on freedom of association approved at the last International Labour Conference. The Centre was committed to including a component on international labour standards and fundamental rights in all its training. An introductory CD-ROM and a brochure had been developed. Courses on standards, safety and health in Asia, and on seafaring standards, were being devised, as well as significant programmes on international labour law with universities. As regards the mandates of the Employers' Activities Programme and of the Enterprise Development Programme, it should be understood that the former is designed to train employers, whereas the latter is linked to Sector 2 and aims at the creation of decent, productive jobs. Cooperation between these two programmes is both possible and desirable. Moreover, the Director informed the Board that the Centre's programme for 2002 included the resumption of activities for cooperatives. On the participation of women, the Director was pleased that the efforts made had been crowned with success and that, for the first time in the history of the Centre, the rate of participation by women had reached 41 per cent. The second issue dealt with by the Director of the Centre was that of the various regional components and activities in the field (b). There had been significant cooperation with Cinterfor to analyse training needs and develop appropriate programmes. He confirmed that 54 participants from Haiti had been trained in two sessions on social protection. As to why distance learning was developing mainly in Latin America, the Director answered that this was primarily due to the good internet connections on that continent and to a culture of that type of learning. The Centre also wished to develop distance training for other regions, and initiatives already existed for Asia and the Arab States. Concerning cooperation with local institutions, he confirmed that ten or so agreements had already been reached in Latin America, and emphasized that the Centre must now get down to putting these agreements into effect and sustaining them in the long run. He regretted the fall in the number of African participants but noted, however, that in-the-field training in Africa had risen from 26 per cent in 1998 to 50 per cent in 2000. In response to the remarks concerning the countries of central and eastern Europe, the Director stated that a great deal of training had taken place in that region, and that the Centre was counting on developing its activities even further in 2002. In reply to the representative of the Government of the Libyan Arab Jamahiriya, the Director announced that the vocational training project that was currently under discussion with the Italian Government had a good chance of becoming a reality in the near future. To the question asked by the representative of the Government of the United States, he answered that over 50 per cent of the Centre's activities took place in the field as against 10 per cent ten years ago. The occupation rate of the campus was becoming higher and higher; for certain weeks, the Centre was obliged to accommodate participants in hotels in the city. The Centre would have to continue that practice because its bedrooms

would increase in quality but not in quantity. In answer to the questions on evaluation (c), the Director first referred to the in-house end-of-course evaluation, whose aim was to improve training. This fitted into the total quality programme developed at the Centre. He said that the Centre also had recourse to outside assessments, although this was not systematic because of its high cost. Lastly, he declared that an impact evaluation system was being devised and that proposals to implement it would be made but needed the support of donor countries. Concerning sources of funds (d), the Director declared that a comparative analysis of revenue showed that the contributions of the ILO and of Italy were stable. He pointed out that funding from the European Union varied as a function of the activities of the European Social Fund and that the contributions of the United Nations were in decline. He noted a rise in activities financed by the beneficiary countries themselves. The European Social Fund entrusted the Centre with activities within the domain of competence of the Centre and hence of the ILO. Although these activities were directed mainly at Italy, they nevertheless proved of service to all member States through the development of new methodologies that could subsequently be applied to other programmes, in particular to the benefit of developing countries. The Director confirmed that the ADAPT Programme was in line with the Centre's mandate because it also generated considerable training to help job creation. Concerning the Centre's activities with the World Bank, these were developed not through direct funding by that institution but thanks to money loaned by the Bank to developing countries (for example, the development of vocational skills in Yemen). Equipment procurement training is a highly appreciated type of technical training that has been entrusted to the Centre by the ILO and enables the ILO's message to be divulged. The Director turned to the question of tenders and pointed out that there were two distinct committees. The first handled the Centre's purchasing procedures, whereas the second investigated whether a bid which the Centre wished to make was consistent with its mandate and whether the Centre was technically well-equipped to carry it off. The selection among calls for tender was carried out in close conjunction with the ILO field offices and with the Centre's potential partners. The committee also made sure that the project was financially viable. The current situation is paradoxical in that as the Centre wins more and more tenders it proves its quality and the appropriateness of its fees. However, the European Union's new financial rules stipulate that if one partner fails, the others are co-responsible. An international organization like the Centre cannot legally assume this kind of responsibility, and negotiations are currently under way with the European Union in the hope of reaching an agreement. As regards training needs analysis, the Director informed the Board that this was done through the ILO's field structures, by means of technical cooperation and as a function of direct requests. Finally, the Director dealt with the question of integration with the ILO (e) and emphasized that this was making progress. In terms of technical cooperation, efforts were being made to get the ILO to entrust its training activities to the Centre, but resistance persisted and had to be overcome gradually. The Centre now offered a training portfolio that encompassed the strategic objectives of the ILO. Much had been done but much remained to be done. To this end, a monitoring system had been created to ensure that every proposal made to donors closely corresponded to the ILO's priorities and harnessed all the means of action available to the Centre. As for staff mobility, this was desirable both for the ILO and for the Centre. It required technical instruments being put to work. The ILO was currently revising its recruitment and job classification system and asked that the same rules should apply at the Centre. He suggested that the Chairperson call upon the ILO's Legal Adviser to explain the current state of this issue.

36. *The Worker Vice-Chairperson* thanked the Director for the answers given to the questions from the members of the Board.
37. *The Legal Adviser of the ILO*, at the Director's invitation, outlined the actions taken to achieve better integration of the staff with the ILO, especially in terms of mobility. He dwelt on the complexity of this question, linked to three main factors: (a) the distinct legal

statutes of the Centre and the ILO; (b) the ILO's new human resources policy that entailed reform of the staff regulations and types of contract; and (c) the nature of the functions and activities carried out by the Centre within the framework of projects which to a very large extent required non-permanent recruitment, in contrast with the ILO. He said that this year, at the request of the Centre, the ILO's legal service and human resources management had prepared a study on staff mobility between the two institutions. Consultations had taken place in January 2001 between the Centre and headquarters on the basis of this study. The outcome was that to harmonize the statutes did not require making them identical so much as making their recruitment procedures compatible while respecting the specific nature of the functions of each of the two institutions. However, he considered it premature to reform the Centre's staff regulations since those of the ILO were still being worked upon.

38. *The Board* took note of documents CC63/1, CC63/1/Add.1 and CC63/1/Add.2.

II. Reports of the Management Training Committee and Trade Union Training Committee (Second item on the agenda)

39. *The Chairperson* called upon the spokespersons for the Management Training Committee and the Trade Union Training Committee to present their reports.

40. *The spokesperson for the Trade Union Training Committee* expressed the satisfaction of the Workers' group at the programmes for trade unions. He reiterated the group's proposals for 2002-03, which included greater consideration of gender issues, strengthening of programmes for workers and greater participation by the latter in the Centre's bipartite and tripartite programmes, with an equal representation of constituents and mutually agreed curricula, pursuit of integration with the ILO within the framework of the four strategic objectives, increasing use of new technology for producing teaching materials and trade union training (CD-ROM, the Internet), and the development of new curricula with ACTRAV, particularly in the field and at sectoral level. He hoped that the Centre would implement a more systematic follow-up of activities in cooperation with the trade union organizations, and that the latter would receive applications to nominate candidates three months before activities began so that the selection procedure could be optimized. He also hoped the Centre would continue to mobilize extra-budgetary resources for its activities, and would use the regional training centres to organize them in order to make the ILO's action more effective. The Workers' group also suggested that the Trade Union Training Committee should meet for two days rather than one. Finally, it was noted that the staff of the programme should be urgently increased.

41. *The spokesperson for the Management Training Committee* drew the members of the Board's attention to paragraphs 7 and 8, which, like the Trade Union Training Committee, called for greater use of new technology and distance learning. She considered that the investment made in this area had been positive, and stressed that while no specific activity in support of employers' organizations had been carried out in 2000 for the developing countries, the creation in November 2000 of the Programme for Employers' Activities in Turin had enabled 13 activities to be carried out in this area. The spokesperson for the Committee thought that it was necessary to continue talks with the ILO to assess needs, particularly in the area of social dialogue and tripartism. She reiterated that the strategic plan formulated by the Employers' Activities Specialist should be improved and priorities analysed so as to use it as a basis for resource mobilization and strengthening of employers' activities at the Centre.

42. *The Board* took note of documents CC63/3/a and CC63/3/b.

III. Staff questions (Third item on the agenda)

43. In accordance with the usual practice, *the Chairperson* asked the Board to listen to the statement by the Chairperson of the Staff Union Committee (the text of the statement is in Annex 1 to this report).

44. *The Chairperson* asked the Director to inform the Board of developments relating to staff.

45. *The Director* informed the members of the Board of the nomination of Ms. Telma Viale (El Salvador) as Senior Personnel Officer, saying that her training and experience would be very useful, particularly in implementing a human resources strategy that would take account of the reforms instituted by the ILO.

46. *The Chairperson* invited the Board to examine documents CC63/6/a (Amendments to the Staff Regulations), CC63/6/b (Proposed amendments to the Staff Regulations) and CC63/6/c (Draft staff regulations to give effect to the recognition and procedural (collective) agreement).

47. *The Worker Vice-Chairperson* supported the statements of the Chairperson of the Staff Union Committee, particularly as regards the need to find a solution for the pensions of Italian officials, the pursuit of the collective bargaining procedure and the improvement in the situation of staff employed on short-term contracts. He insisted that Staff College officials should benefit from the same protection of their right at work, particularly in the delicate transitional period under way. As regards the integration of personnel between the Centre and the ILO, he recalled the policy decision taken by the Director-General of the ILO before the Board. He noted that the study carried out by the legal department did not refer to the question of mobility and that appropriate mechanisms would have to be developed to allow the careers of officials to progress. He called for the study and possible alternatives to be submitted to the Board. With respect to the amendments to the Staff Regulations following the conclusion of an agreement on collective bargaining, he repeated that the Board only met once per year, which could lead to delays in implementing the amendments; by request, some mechanisms should be found.

48. *The spokesperson for the Employers' group* expressed his confidence that the Director would resolve the staff questions in accordance with the Board's recommendations.

49. In response to the points raised by the Worker Vice-Chairperson, *the Director* said that, when necessary, the Board could delegate the task of approving the amendments to the Staff Regulations between the sessions of the Board to its Officers.

50. *The Board* approved the Director's proposal. It took note of document CC63/6/a and approved paragraph 7 of document CC63/6/b, authorizing the Director to implement the measures recommended by the ICSC, and paragraph 5 of document CC63/6/c, to implement, on a temporary basis, the amendments to the Staff Regulations in order to put the agreement on recognition and procedure into effect. These measures would be set out in a report presented to the Board at its next session.

IV. Financial report and external auditors' report for the year 2000
Report on the implementation of the programme and budget for the current financial year (2001), and programme and budget proposals for the 2002 financial year
 (Fourth and fifth items on the agenda)

51. *The Chairperson* recalled that, at the request of the auditor and with the agreement of the Board, it had not been possible to discuss these items with the first item on the agenda, as initially envisaged. He asked the members of the Board to examine documents CC63/1/Add.3, CC63/2 and CC63/2/Add.1.

52. *The representative of the external auditor* declared:

Our audit was conducted in accordance with articles 25 to 28 of the Centre's Financial Regulations, and in compliance with the common auditing standards of the United Nations Panel of External Auditors. The audit included a general review of the financial statements, and such tests of the accounting records and supporting evidence as we considered necessary to enable us to form an opinion on essentially three matters:

- first, whether expenditure recorded in 2000 had been incurred for the purposes approved by the Board;
- second, whether income and expenditure had been properly classified and recorded in accordance with the Centre's Financial Regulations; and
- third, whether the Financial Statements presented fairly the financial position as at 31 December 2000.

Our audit approach focuses on addressing the key risks identified during audit planning work and involves evaluating the strength and effectiveness of internal controls, in addition to test-checking a sample of transactions. We sought confirmation of the amount of cash held on behalf of the Centre from the Centre's bankers; and throughout the audit we made extensive use of audit interrogation software to analyse the accounts and detailed project records.

By the conclusion of a rigorous examination of the financial statements, we were content that they contained no weaknesses or errors material to the accuracy, completeness and validity of the financial statements as a whole. Accordingly, the External Auditor was able to place an unqualified opinion on the Centre's financial statements for 2000.

However, as you will see from our report, the audit of the 2000 financial statements was a difficult and complex one in comparison with previous years, and a number of problems had to be rectified before we could reach a satisfactory conclusion. In this regard, I must express our gratitude to the Director and his staff for the willing cooperation and assistance that they provided throughout the audit.

In addition to confirming the audit opinion on the Centre's accounts, the audit report also comments on other issues affecting the management and administration of the Centre, and action taken by the Centre in response to our previous (1999) report. I am pleased to report that the Centre has responded to our 1999 recommendations.

On voluntary contributions, we had recommended that the Centre seek to obtain contributions in US dollars to reduce the risk of losses due to currency exchange fluctuations. However, following discussion with contributors, the Centre found that most contributors prefer to retain the existing payment arrangements. The Centre will therefore be unable to obtain contributions in US dollars in all cases.

On the medical service, we recommended that the Centre keep under review the level of service provision, to ensure that it continued to provide best value for money in the light of

locally available alternatives. I note that the Centre has now converted some of the medical service accommodation for training use, and has calculated the net cost of the service in 2000 at approximately US\$100,000. The Centre has confirmed that the main beneficiaries of the on-site medical services are the staff of the Centre. Further cost savings might be available if required by further rationalizing the level of on-site medical service in favour of locally available alternatives.

Regarding the level of the Working Capital Fund, last year we recommended that the Centre transfer amounts above the approved target level to the General Reserve. The Centre made transfers in 2000, although at the end of the year, the Working Capital Fund remained some US\$670,000 above the target level approved by the Board.

Members of the Board may also recall that in 1999 we commented on the arrangements between the Centre and the United Nations Staff College Project. In 2000, the Centre has now reported separately the income and expenditure of the Staff College. The notes to the financial statements disclose that income from Staff College activities amounted to US\$4.35 million and expenses were US\$3.56 million.

In response to a joint request from the Director of the Centre and the Director of the Staff College, we carried out an independent review of the level of contribution made by the College to the fixed costs of the Centre. As a result of this work, we were able to confirm that the amounts paid by the College were reasonable and we recommended a charging methodology for the future.

The College becomes a separate entity from 1 January 2002 and a formal agreement for the College's use and occupation of the campus has been drafted (document CC63/5). As a matter of good financial management, it would be appropriate for the Centre also to reach a formal agreement with the College on the mechanisms for transferring relevant assets and liabilities.

As regards the results of our audit for the financial year 2000, the financial position of the Centre is sound and there are two main features I would highlight for you. First, the accounts report a decline in both income and expenditure since 1999. After taking into account exchange losses of US\$694 000, and the cancellation and savings on prior period obligations of US\$784,000, the net surplus of income over expenditure for the year was US\$82 000. This was transferred to the General Reserve. Second, the Centre has adequate financial reserves. During 2000, General Reserve cash and term deposits increased by US\$2 million to US\$5.56 million. Other notable movements include a drop of US\$1.1 million in accounts receivable reported at the year end and an increase during the year of US\$1.4 million in the amount owing to the International Labour Organization. These movements were partially offset by the write-off of aged debts (amounting to US\$271,000) and the increase in the provision for doubtful accounts of US\$532,000.

Concerning the implementation of the Centre's new integrated administrative and financial information system, as members of the Board will be aware, the implementation of new computer systems can be a demanding and complex undertaking. While modern integrated database systems offer significant advantages over older technologies, their implementation presents risks from the changes in practice and procedure which usually accompany such developments. Careful planning and management of change is necessary to minimize these risks, albeit such change is rarely without difficulty. The Centre first announced plans to replace its Informix systems in November 1995, and planned initially to develop an "in-house" solution. However, progress was slow and the Centre therefore investigated the possibility of procuring a commercial package to meet its needs.

While it was clear that the Centre considered a number of alternative products and carried out detailed analyses and evaluations of existing administrative procedures, it did not formally prepare and document a business case. In the absence of a proper business case, it is difficult to measure the extent to which the project has achieved its objectives.

Having purchased the package at a cost of approximately US\$100,000 in April 1999, the Centre decided to implement the new system in April 2000. The Centre was confident that the commercial package met its needs and introduced the system after only limited testing and without any parallel testing alongside the existing system. Further to this, it soon became apparent that some users had received insufficient training on the new system and were unfamiliar with some of the new procedures. These difficulties led to a number of errors and

also created a backlog of work. Members of the Board may recall that we raised particular concerns in our 1999 report over the delay in reconciling the Centre's accounting records to those of its bankers. These key reconciliations were eventually completed in relation to the year 2000, but not until September 2001. Widespread errors and other problems affected the accuracy of the draft financial statements and required adjustment. In total, we requested account changes totalling some US\$3.2 million and the net effect of these errors was to reduce the reported surplus from US\$268,000 to US\$82,000. Resolving the problems arising from the implementation of the new computer system required a considerable amount of extra time and effort for the Centre; and involved significant additional costs, which we estimate to be in the region of US\$1.25 million. Even with the assistance of consultants, the final accounts' closure and production timetable was severely delayed, and financial statements acceptable for audit were only available last Thursday evening, 25 October 2001. While the concerted action taken by the Centre addressed the immediate difficulties with the 2,000 financial statements, many of the underlying problems remain, and have led to a further backlog of work in 2001. The Centre will face many of the same problems when it closes the 2001 financial year. Paragraph 55 of the audit report lists a number of key tasks, which in our view need to be addressed as a matter of urgency. In particular, the Centre needs to take urgent steps to address and rectify the inaccuracies and inadequacies in the new system and procedures; needs to fully train and familiarize staff with all aspects of the new procedures; and should eliminate the backlog of work in relation to 2001. In this regard, we very much welcome the Director's assurance that these issues are to be addressed and his appointment of consultants to assist in this essential work.

Finally, I should like to close my presentation by commenting on an area that we have referred to several times in our audit reports over recent years - the Centre's debt monitoring procedures. It was apparent from our audit in 2000 that the implementation of the new computer system has led to a further deterioration in performance in this area. For example, we found that the average time taken to raise an invoice had increased to some 126 days, compared with 85 days in 1998. Moreover, the Centre had not actively pursued long-outstanding unpaid invoices during the year, nor had it been able to introduce the improved procedures we had recommended in our 1997 report. At our request, the Centre carried out a thorough review of all unpaid invoices and identified some US\$271,000 of income that it considered uncollectable. These invoices have now been written off. In view of the age of some unpaid invoices, the Centre also increased the level of provision for doubtful accounts from US\$344,000 to US\$605,000. This action ensures that the financial statements do not present a misleading picture of the true value of amounts receivable.

Finally, I should like to take this opportunity once again to thank the Director, the Deputy Director and all the staff of the Centre for their willing cooperation and assistance during our audit.

Thank you, Mr. Chairperson and Members of the Board, for your attention.

- 53.** *The spokesperson for the Employers' group* was pleased to note the financial balance achieved in 2000 and the slight surplus obtained, despite foreign exchange losses. She was pleased with the savings made following the auditor's recommendations. She drew the members of the Board's attention to the external auditors' proposals set down in paragraphs 26 to 28 and 54 to 59 of their report, and recommended that they be implemented. She thanked the auditors for their work and the Director and staff of the Centre for their cooperation. The Employers' group reiterated the importance it attached to following up the requests made by the auditors. As regards changing the computer system, the group's spokesperson reminded the Board that all the institutions that had adopted the Oracle program, such as the FAO, had experienced delays. She stressed the professionalism and the dedication of the officials of the Centre for their efforts to mitigate the resulting consequences.
- 54.** *The Worker Vice-Chairperson* reported that the group had read with great preoccupation the analysis of the auditor, noting that it adopted many elements mentioned by the Workers' group during previous sessions of the Board. In the framework of the reform of administrative procedures and the implementation of a new computer system, he regretted

the various and serious problems of implementation and that more account had not been taken of staff training needs for this new tool. The Workers' group was concerned about the consequences of introducing this new system, particularly the increase in invoicing times and the doubling of provisions for doubtful debts. He hoped that the Centre would learn the lessons of this experience when the new databases envisaged in the Third Development Plan were introduced, and that the Board would be informed of the measures taken to implement the recommendations referred to in paragraphs 33 and 55 of the auditors' report. The Workers' group asked for more information on the separation of accounting between the Centre and the Staff College and on the programmes self-financed by beneficiaries. Finally, he thanked the auditor for the work carried out. Regarding the various groups' training activities for 2001, since the Director of the Centre mentioned in his intervention that several countries are now self-financing their programmes, we would like in future reports to see indicated with an asterisk such activities, for reasons of transparency.

55. *Mr. Lambert (Employer, United Kingdom)* noted that large companies always put a parallel system in place before finally validating a new computer system. In his opinion, this was a lesson the Centre should learn for the future.

56. *The Director* thanked the Auditors for their report and regretted that their working conditions had been particularly difficult during the period of implementing the new system. He pointed out that it had been essential to change the computer system due to the growth of the Centre. The main difficulty had been that, contrary to other institutions and the ILO, the Centre did not have a specific fund and had to call upon its always uncertain and difficult capacity to release the necessary resources from its regular budget. Of the various solutions examined, the one proposed by Oracle was the only one which, on purchase, was within the Centre's financial means. A comparison made with the different institutions that had introduced the changes showed that, both from the point of view of the nature of the difficulties encountered and the costs incurred, the Centre's experience had not been exceptional. The technical difficulties that had arisen during the implementation had been gradually overcome thanks to the use of highly specialized technical teams. This had not been achieved without difficulty, however, nor without giving rise to delays. Malfunctions in the system purchased by the Centre had been corrected thanks to the exceptional effort of the Oracle company, but for several months this had complicated the functioning of operations. The situation was under control, however. The Director would nevertheless continue to monitor the situation and remained aware of the external auditors' recommendations, which would be taken fully into account. He explained that a new project was being implemented in order to overcome the accounting and financial difficulties the Centre had encountered. In the first stage, bank reconciliations would be concluded so as properly to finalize the 2001 budget. Similarly, an extremely rigorous and active process of recovering debts would be put in place. Finally, staff training on the new system would be completed. The monitoring of accounting and financial operations throughout the year, guaranteeing that the various due dates were clearly specified and respected, would be devised and rigorously applied. The Director assured the members of the Board that all the provisions had already been taken on these various points.

57. *The Board* approved paragraph 17 of document CC63/2 and took note of documents CC63/1/Add.3 and CC63/2/Add.1.

V. The operationalization of the Third Development Plan (Sixth item on the agenda)

58. *The Chairperson* asked the Director of the Centre to present this document.

59. *The Director* briefly recalled that the plan had been approved during the Board's last session and that the many comments made at the time had been included. He stressed first of all that the implementation of the plan was divided into different projects, each of which would be entrusted to a member of staff of the Centre. They would have precise objectives and indicators of results, and should be financed as far as possible from the Centre's ordinary budget. He noted that, bearing the financial situation in mind, recourse to external partners would be necessary. The third means of financing proposed by the Director was to use the sum of one million dollars, out of the five million dollars of financial reserves accrued by the Centre, to pay for the development and enhancement of the Centre's technical and technological capacities and the content of training.
60. *The spokesperson for the Employers' group* pointed out that it was one of the most important documents of the session. She reasserted that the preceding plan had been a success and said that she was pleased with the increase in distance learning and the participation of women, and welcomed the development of new programmes and the support of the social partners. She noted that the renovation of the Centre's infrastructures was an important aspect. She approved the content of paragraphs 11 and 12 and called in particular for impact assessment to be reinforced. She hoped that the forecast figure of 40,000 participants from now until 2005 would be attained and that there would be a proper division between the activities of the Centre and activities on the ground. She welcomed the increase in tripartite activities but stressed the need to develop bipartite activities as well. Although she approved paragraph 26, she expressed reservations with respect to paragraph 30, which proposed to raise the number of positions occupied by women in the professional category to 50 per cent. She did not want the system to drift towards the actual qualifications of women being given secondary importance. She was pleased with the enhancement of the quality of services and hoped that a culture of attention to the Centre's clients would be developed. She approved the idea presented in paragraph 46 of creating a network of former participants. Finally, she asserted that action to combat poverty and unemployment was necessary and that these were two priority areas that should be included in the strategic perspectives of the plan. She concluded by giving her support to the plan as presented in the reference document, subject to the points mentioned.
61. *The Worker Vice-Chairperson* pointed out that the Third Development Plan should be a tool to promote the idea of a training centre integrated into the ILO. In this regard he recalled the specific proposals presented the previous November by the Workers' group, which noted first of all that, as the Centre was operating to full capacity, it would be advisable to adopt a focused approach on:
- better balancing the training offer of the Centre in relation to the four strategic objectives of the ILO;
 - not focusing only on the number of participants but on qualitative indicators;
 - introducing online education in relation to the four strategic objectives of the ILO; and
 - reviewing the allocation of the investment fund (page 15). This is a crucial issue and we are quite surprised to notice that no financing at all has been proposed for the "closer association with the ILO" (Objective No. 1). This objective, together with Objective No. 4 (Information technology) should benefit from the large part of the investment. The partition of US\$1 million should then be reviewed in order to achieve a balanced redistribution.

The group asked also clarification on the management of the plan. The Workers' group felt that the Development Plan could be a tool enabling training activities integrating the ILO's strategic objectives to be developed, in cooperation with the ILO's executive directors and staff responsible for the InFocus programmes. He expressed reservations as regards paragraphs 22 and 23 on the financing of bipartite and tripartite activities and felt that they should be carried out firstly on the basis of financial resources existing according to arrangements that had yet to be defined. From then until 2005, it would also be advisable for 75 per cent of the Centre's activities to be bipartite and tripartite, thus enabling a greater number of social partners to be trained. These activities should be developed in consultation with the Workers' Activities Programme and the Employers' Activities Programme, and with the participation of the trade unions appointed by the secretary of the Workers' group through ACTRAV in Geneva. The Workers' group reiterated its wish to see a study carried out on the legal and financial implications of the integration of the Centre's staff with headquarters staff, and underscored the importance of a balanced geographic and gender division within the staff. The study would have to be carried out in consultation with the Human Resources Department at headquarters and the Officers of the Board, and could be presented during the meeting of the Governing Body of the ILO in March 2002. The Workers' group also felt that it was important for the Centre to concentrate on activities connected to the ILO's mandate and to offer training services adapted to its sponsors. He stressed the need to establish a financial programme and a common strategy for mobilizing resources with the ILO. He reiterated his hope, expressed in November 2000, that the structure of the Centre's expenditure would be adjusted. He went on to say that, from this point of view, the Centre's fixed costs would have to be covered by extra-budgetary resources from the technical cooperation funds and direct subsidies by the member States. As regards the renewal of the Centre's infrastructures for the occasion of the 2006 Olympic Games, the Workers' group said that it wanted to be consulted on the project to be submitted to the Italian authorities. While asserting that the section of the document regarding information technology clearly reflected the Centre's different needs, it was appropriate to establish a strategy to develop databases for external contacts and for staff training. Staff training and technical development were important aspects in this context, particularly in the area of distance learning.

62. *Mr. de Arbeloa (Employer, Venezuela)* began by pointing out that he represented the Employers' group of the Americas at the meeting and not just Venezuelan employers. He supported the statements of the spokesperson for the Employers' group and wished to stress certain important aspects of the document. He shared the point of view according to which a balance had to be ensured between activities for workers and activities for employers, and accordingly called for equality in the allocation of resources. He said that he was concerned that the alignment between the Staff Regulations of the Centre and of the ILO could be too costly and reference to financial realities and a regard to a proper relation between cost/benefit should be carefully verified. In this respect, he suggested that we have a meeting with the Director of Personnel of the ILO, A. Wild, in order to clarify and properly assess all the items involved, including the collective bargaining, etc. He reminded the Board that there were real differences between Geneva and Turin, particularly as regards the source of financial contributions. The financing of the Centre, in fact, depended mostly on donors, who were entitled to demand the greatest possible effectiveness in the use of their contributions. He noted with concern the imposition of quotas in the recruitment of women and feared that it would lead to some extent to discrimination by not stressing their qualifications. He approved the strengthening of links with former participants in the Centre's activities (paragraph 46). As regards paragraph 49, he reiterated his group's wish to encourage the financial support of governments towards the Centre, following the example of Italy in general and of its Government in particular. With a view to favouring the participation of candidates from regions that were furthest away from Turin, the Americas in particular, he suggested that part of the surpluses accrued should be used to contribute to participants' travelling expenses, thus giving them

the opportunity to take part in courses in Turin. While he welcomed the efforts made to develop distance learning, he pointed out that the courses in Turin enabled participants to benefit from an international environment and offered them the opportunity to share their experience, and that this great advantage of the Centre would never be replaced by distance learning. He regretted that poverty and unemployment were themes that appear to be neglected in favour of other sectors (i.e., gender), and hoped that these two points would be given the highest priority. In conclusion, he approved paragraph 61 of the report, subject to the comments he had just made.

63. *The representative of the Government of Germany*, also speaking on behalf of the representative of the Government of Portugal, wished to make several remarks, particularly with respect to closer links with the ILO and to impact assessment. On the first point, he shared the opinion of the Worker Vice-Chairperson on the need to train the Centre's staff vis-à-vis the ILO's strategic objectives (paragraph 17). He thought that the Centre could and should play an increasingly important role – in Turin, in Geneva and in the field – in training intended to support the achievement of the ILO's strategic objectives. As far as impact assessment was concerned, he hoped that this would be extended to the institutions that benefited from the Centre's training programmes, and that its results would be communicated to the sponsors. He also called for an examination of the impact of training on the Organization so as to draw lessons for the future.
64. *Mr. M'Kaissi (Employer, Tunisia)* valued the initiative that aimed to favour training in computer technology and pointed out that this was good preparation for the future. It was in fact a basic skill that it was essential to know how to impart to participants, and he hoped that the Centre would be very successful in this aim. *Mr. Lambert (Employer, United Kingdom)* called on the Centre to put emphasis on training its staff especially in the use of information technology.
65. *The Chairperson* thanked the participants for their comments and asked the Director of the Centre to take the floor.
66. *The Director of the Centre* thanked the members of the Board for their comments, for their support for the plan and for the proposal to use one million dollars from the reserves. He said that these matters should be dealt with at three levels. The first related to how the Centre was conceived and financed, which was the responsibility of the Governing Body. The Workers' group had expressed the wish for a more secure financing system with increased contributions from member States. He hoped that the discussions under way would lead to positive results and that every effort would be made to allow the Centre to fulfil its mission to the full. At the time this was hindered by the financial situation, which meant that its activities had to be developed with a view to the need to balance the budget. The second level concerned the operational integration between the ILO and the Centre. The Director hoped that, while the plan was being implemented, the Centre's supplementary role in relation to the ILO's activities would be strengthened each time its technical capacity could be used. Great progress had been made. He asserted that he used his dual function to support this process to the full, though much more could and should still be done. The Director-General of the ILO was very much in favour of this. The third level related to the internal management of the Centre. He confirmed that every effort would be made to respond to the expectations mentioned and supported the development of activities for the social partners. He noted that bipartite and tripartite activities had risen from nine to 35 in 2000, and that, thanks to the Italian contributions, a fund had been created to support this development, enabling 80 fellowships to be financed. He stated that the financial constraints prevented a more sustained development of such activities, and informed the Board that 45,000 dollars were envisaged to finance staff training in new technology. The Director announced that a project would be devoted to assessment, that a project manager would be appointed, and that the necessary financial resources would be

allocated to ensure its functioning and to allow the expected objectives to be achieved. The Director pointed out that aid to developing countries remained the Centre's priority. He regretted that he could not respond to each speaker but assured the members of the Board that he had taken note of their comments. He thanked the Board again for its support for the plan, which was as realistic and visionary as possible and which had taken full account of all the issues raised by the Board during its last session.

67. *The Board* approved paragraph 61 of document CC63/4.

68. *The Worker Vice-Chairperson* specified that his group approved paragraph 61 of document CC63/4, but called for investment fund allocations to be re-examined.

VI. Agreement between the United Nations and the International Labour Organization on the United Nations System Staff College (UNSSC) (Seventh item on the agenda)

69. *The Director* presented the document regarding the Agreement between the United Nations and the International Labour Organization on the United Nations Staff College. He said that the document reflected the guidelines set down by the Board when the question was asked of how to organize relations between the Centre and the Staff College. He emphasized in particular that means had to be found to allow the Staff College, an institution that continued to be accommodated on the Centre's campus, to function independently. He reminded the Board of the guidelines set during the special meeting of the Officers of the Board in Geneva chaired by the Director-General of the ILO. The first decision had been to accept the prolongation for one year of the United Nations Staff College Project until 31 December 2001. He specified that such a prolongation could not be renewed, and that all the means had to be in place by 1 January 2002. The Officers of the Board stressed that the Centre should continue to function within the framework of the agreements signed with the Italian authorities and should retain full control of the campus. The fourth decision mentioned that the Centre's functioning should not be hindered by the Staff College, but that it should develop useful cooperation with it. He said that while the Centre should not make a profit at the expense of the Staff College, neither should it incur costs relating to its presence or functioning, whether directly or indirectly. The Director said that following the meeting of the Officers of the Board, they had reflected jointly with the Director of the United Nations Staff College to determine the arrangements that would govern relations between the two institutions, in accordance with the guidelines set by the Officers of the Board. The Staff College informed the Centre of the services it wished to receive from it in order to be able to determine how those services would be paid for. The Director pointed out that the exercise had been carried out successfully in a spirit of cooperation. He was able to assure the Board that the point of agreement submitted to them was consistent with the guidelines they had set. This was confirmed by the ILO's financial and legal departments. These provisions had been formulated on the basis of the methodology proposed by the External Auditors. He said that both he and the Director of the United Nations Staff College hoped that this agreement would be approved and could come into force on 1 January 2002. For administrative reasons, however, the United Nations had not yet been able to communicate its formal approval. The Director hoped that, given the current urgency, the United Nations would make every effort to accelerate this procedure, and in view of this situation he proposed that the Board should entrust its Officers with the task of approving the Agreement on his behalf. Bearing in mind the presence of the Officers of the Board in Geneva for the meeting of the Governing Body of the ILO, the Director proposed that the meeting of the Officers should take place before

the end of the session and before its members departed from Geneva. This left 15 days to reach a final agreement, failing which the parties would be in an extremely difficult situation that would hinder their operations. The Director reminded the Board of the need to change to the new system from 1 January 2002.

70. *The Director of the United Nations Staff College* said that the Director of the Centre had described the situation very clearly. He emphasized that the various meetings between the United Nations and the ILO, held with the intention of reaching an agreement, had been fruitful and that the two parties had done considerable work to achieve this. He regretted the delay, which was due to technical and administrative problems in New York, and hoped that they could be resolved as soon as possible so that the Officers of the Board could ratify the agreement before 17 November 2001. He added that during his next trip to New York he would meet the parties concerned to obtain the expected agreement and hoped that the situation would be rapidly resolved.
71. *The representative of the General Directorate for Cooperation and Development of the Italian Ministry of Foreign Affairs* reaffirmed the Italian Government's conviction that the choice of the Centre for the United Nations Staff College was the most appropriate. He expressed a wish that the synergy between the Centre and the Staff College would be enhanced and that the existing structures would be used harmoniously. He reminded the Board that the financial support granted by the Italian Government to the Staff College would not entail any reduction in the financial contribution to the Centre. On the contrary, the Italian Government had decided to increase its contribution. He hoped that the United Nations system as a whole would benefit from the support of the new institution and repeated his thanks to the ILO and to the Director of the Centre for the support given to the Staff College Project.
72. *The Chairperson* expressed his thanks to the Italian Government for its constant support for the two institutions.
73. *The Worker Vice-Chairperson* added to the thanks expressed by the Chairperson. The Workers' group was satisfied with the agreement and wished to obtain further details on its impact and on the use of campus facilities (bedrooms and classrooms) by the two institutions. The Workers' group asked for the Board to be consulted on the transfer of the Staff College Project's assets and liabilities to the new institution. He reminded the Board of the Workers' group's commitment to the application of ILO standards to the contracts of the new institution's staff.
74. *The spokesperson for the Employers' group* thanked the Director and invited the Board to approve the implementation of the agreement in the best circumstances possible. She reminded the Board that the agreement had been approved by the legal and financial departments of the ILO (paragraphs 4 and 5), and that the Employers' group wanted the time limits envisaged for separating the two institutions to be respected in full.
75. *The Director* stressed that the application of the agreement would have no effect on relations between the Centre and the City of Turin, which were governed by a special convention. As far as the use of structures was concerned, quarterly planning meetings between the Centre and the Staff College would allow optimum use of the campus. He pointed out that the financial transfers would be made according to the means recommended by the auditors. He reminded the Board that from 1 January 2002 the officials of the Staff College would be accountable to the United Nations.
76. *The Board* approved paragraph 7 of document CC63/5 entrusting the Officers of the Board with approving the agreement.

**VII. Other questions:
Report of the Programme, Financial
and Administrative Committee
(Eighth item on the agenda)**

77. *The Chairperson* specified that the report on the present session (63rd) would be made available to the Programme, Financial and Administrative Committee in Geneva on 6 November 2001.

78. *The Board* conferred on the Chairperson a mandate to approve the text of the report on the 63rd Session.

**VIII. Place and date of the next session
(Ninth item on the agenda)**

79. *The Chairperson* proposed that the 64th Session of the Board of the Centre should be held in Turin on a date to be determined by the Officers of the Board prior to the meeting of the Governing Body of the ILO in November 2002 (285th Session, Geneva, 7-22 November 2002). The definitive date will be communicated to the members of the Board.

Turin, 5 November 2001.

Appendix

Statement by the Chairperson of the Staff Union of the International Training Centre of the ILO (30 October 2001)

Caminante, son tus huellas
el camino, y nada más;
caminante, no hay camino,
se hace camino al andar.

A. Machado ¹

Mr. Chairperson, members of the Board, ladies and gentlemen,

I must confess that sharing these thoughts with you at this particular time is a very emotional and significant act.

The tragic events of 11 September, whose repercussions will affect us for many years, have changed the world profoundly. Moreover, they have created the potential for a greater, more relevant role for the entire UN system.

In reality, we shall defeat terrorism not with bombs, but by addressing its deepest endemic causes. This means increased political and social action against poverty, against social inequality and against violations of rights. This is the very *raison d'être* of the UN, which it implements through its Secretariat, its programmes, its peacekeeping missions, and its specialized agencies that include the ILO and the Turin Centre.

National capacity building has become one of the most important activities of the United Nations and it is impossible to overemphasize the role of training as a catalyst for building and improving relevant national structures.

Accordingly, we see the Nobel Peace Prize recently awarded to the Organization and its Secretary-General – which is also an indirect recognition of the work of the ILO, a specialized UN agency – as a pressing invitation to carry out our mandate to the full. ²

It is within this new international context that we consider it appropriate to place the Centre's development strategies.

While preparing these notes, I went through some of my predecessors' speeches to the Board.

In all of them, I found a stress on the near future, a call to act on the Centre's weaknesses, and an energetic indication of how to get ready for the challenges of the new millennium.

Mr. Chairperson, members of the Board, ladies and gentlemen ... WELCOME TO THE FUTURE!

This does not depend on any chronological event. This is not a matter of being sure we have effectively entered the third millennium after the "dry run" of the year 2000. This is more about the recognition that a process of transformation is already taking place. We need to decide whether we want to be leading players in this process, or whether we'd rather find ourselves being led. In practical terms, this means whether the Centre chooses development strategies whose vision is ambitious, courageous and on the cutting edge of our mandate, or whether it chooses strategies for "routine administration", strategies aimed at solving problems rather than preventing them.

¹ Wanderer, it is your tracks/which are the road, and nothing else/Wanderer, there is no road/walking makes the road.

² The ILO itself received the Nobel Prize in 1969.

The Staff Union fully subscribes to the most dynamic option in which we believe we can play a fundamental role, because the collective bargaining agreement, signed in October 2000, has affirmed a principle of shared decision-making that goes beyond drafting internal rules and procedures for regulating the various aspects of the Centre's well-being.

Before reflecting on the implications that go beyond the legal aspects of this agreement, I would point out that the agreement has been dormant throughout this year because the Board has to approve almost any amendment to the Staff Regulations. We feel that this calls for reflection on some juridical issues in a short time-span. Since the Board meets only once a year, potential modifications to the Staff Regulations through collective agreements have to wait a long time before being put into effect. Perhaps it would be appropriate to establish a more flexible process which would immediately validate such amendments.

Without more ado, however, the Staff Union is ready to accelerate the bargaining process. As you have probably already noted in the introduction to the sixth item on the agenda, the first issues for collective bargaining to address have already been decided. These are: the procedure for handling grievances, including harassment-related grievances; the recruitment and selection procedure; and post classification. We intend to stipulate an agreement on grievance handling this year, or the beginning of next year at the latest.

Within this context, we have discussed with the Personnel Office the opportunity to identify internal mediators who will attempt first-level resolution of grievances and will prevent them from developing whenever possible.

We have already proposed staff who could benefit from the training the Centre offers its constituents on this subject so as to create a pool out of which the first mediators will be selected. We are determined to render such machinery operational within the shortest time possible, most certainly during our mandate.

In drawing your attention, and that of the Centre, to the fact that the future is already here, we feel the need to stress that, in order to concentrate fully on the current challenges, we need to act decisively on certain long outstanding issues.

Some of my predecessors in recent years highlighted the need to resolutely address the pension situation of a large group of Italian officials who, when recruited at the beginning of the 1970s, were not in the UN pension scheme.

A working group was finally created at the beginning of this year, composed of two members appointed by the Director and two members appointed by the Staff Union. Its mandate is to review and assess the situation of the staff affected by the problem and to submit relevant recommendations to the Director.

We set great store by the work of this group, even though – we regret to say – it has met only once to date. Still, even though we fully understand the bureaucratic nature of the impediments to a more dynamic functioning, we would like to stress the importance of a clear response to the legitimate concerns of our colleagues being given in a reasonable time.

This is not only a question of equity, but also of respect for the professional qualities of officials who have served the Centre for so many years and who have contributed as much as the others to the Centre's achievement of its goals.

I have already mentioned that the collective bargaining agreement has established a principle of shared decision-making that goes beyond the formulation of internal procedures.

Such a principle, in fact, implies recognition of the vital role of the staff in the development policies of the Centre, from the moment they are formulated. Such a role will be performed and implemented through the Staff Union, the institutional representative body of the personnel. We believe that this is the right time to emphasize our purpose and principles.

We regret therefore not having had the opportunity to make a direct contribution to drafting the strategies with which to operationalize the Third Development Plan. Nonetheless, we share its analyses and objectives.

Though we agree with the well known principle of having what the jargon calls "smart" project objectives – ones which are, inter alia, measurable and time bound – we would have preferred a much more innovative plan. That is to say, a plan whose indicators of success were not only quantitative but also qualitative, a plan in which the quality of the training offered to our

constituents would be more closely linked to boosting the professional capacities of the staff of the Centre.

The reform outlined by Mr. Somavia two years ago, like that of Mr. Annan shortly before, has had the merit of promoting and establishing a learning organization at the internal level. This means an organization which is more flexible, potentially less bureaucratic, one that works on the principle that "People, not structures, provide direction and deliver services".³ And people have legitimate expectations of developing both their careers and their professional skills.

Acceptance of such a model has steered the ILO towards understanding that the Organization must become proactive by creating opportunities for fruitful work, productive working arrangements and training as a basis for professional development and advancement.⁴ The result has been a concept of an organization built on continuous learning to stimulate imagination, creativity and a sense of excellence in the staff.⁵

We fully share these objectives and would like to see them translated into the Centre's policies, both those of the Training Department and those of the Personnel Office that, by their nature, encompass every unit of the Centre.

Therefore, as previous Staff Union committees have done, we renew the plea to develop human resources development mechanisms that are less obsolete and more appropriate to the current interpretation of the Centre's mandate.

At the same time, we deem it important to stress that creativity, whose relevance Mr. Somavia has already pointed out, cannot be absent from an institution, like ours, which is dedicated to the training of human resources on a world scale. We must use this creativity to bring the strategies of recruitment, management and development of personnel already adopted in Geneva to bear on our specific situations and needs. This will be in full accordance with the proposed staff mobility between the Centre and the ILO outlined in the Development Plan.

As representatives of our colleagues, we want to be active players in all these processes, through concrete collaboration with both the Training Department and the Personnel Office. In this regard, we should like to report to the Board that periodic meetings are already taking place with the officials responsible for these two sectors. These meetings are a useful opportunity for brainstorming and informal discussion on issues crucial to the Centre's well-being. We are determined to transform the ideas they generate into concrete measures, when appropriate, through the process of collective bargaining.

We would like to take this opportunity to welcome the new Senior Personnel Officer, whose experience, we are confident, will lead to a concept of the Centre's human resources development founded on strategic planning and dynamism. This is particularly relevant when almost an entire generation is bringing its professional experience at the Centre to a close.

Looking ahead, our aim is the creation of a workplace with a strong attitude on staff management, where officials can fully develop their potential and can benefit from tools and procedures that respond to their needs, a Centre which duly acknowledges gender issues and the needs of colleagues with family responsibilities, a Centre which puts such recognition into practice.

We hope that this declaration of confidence will also be a strong stimulus to dealing with a series of demanding challenges. The precarious contractual situation of many colleagues is one of the most important. In this regard, the Staff Union intends to reopen the discussion on the Minute of 27 June 2000 concerning short-term contracts. The effort to resolve a situation that has always been very sensitive for the Centre deserves sincere recognition. However, after more than a year since the adoption of this procedure, there is a strong impression that it was drafted according to short-term logic, rather than a long-term strategy that takes into due account the real generational change mentioned before. The measures proposed in the minute, for example, are largely based on the

³ Report of the Director-General *Decent work, 1999*, p. 64.

⁴ *ibid.*, p. 66.

⁵ *ibid.*

initiatives of programme managers rather than integrated into an overall vision of the Centre and its requirements.

We therefore feel the need to repeat the concerns expressed in the past by the Staff Union to the Board and on other occasions. We would like you to note that despite the increased trend of activities and participants in the last few years, staff levels have not been adjusted accordingly. As a consequence, short-term or external collaboration contracts are often used to plug repeated gaps.

It is incumbent upon us to ask the Centre to put into practice the values promoted by the ILO's action throughout the world in its relations with its own personnel.

A similar call was launched by our colleagues in the ILO Staff Union during their Governing Board in March of this year. They voiced the importance of secure, protected working conditions as a source of significant motivation for the staff and a driving force for increased productivity.

We also hope that the Staff College, which is about to "de-link" from the Centre, will be able to follow the same path. The Staff Union has observed the various steps towards this progressive autonomy, with the aim of guaranteeing full protection for the rights of the College's officials, our members.

Given our common origin, we also hope that the College's new staff representative machinery will be ready as soon as possible, so that we can cooperate in full.

In wrapping up, let me again underline the fact that the Staff Union is determined to establish itself as an active, effective counterpart in the management of the Centre, and to represent the Centre's officials on all issues.

To this end, we have increased the number of our working groups. This has produced more direct involvement by our members, and thereby permitted a better analysis of the most pressing concerns of the Centre. These groups provide concrete suggestions and proposals which inform our dealings with the Director's office.

Another of our aims in increasing internal participation in this way is to create a union that is deeply aware of the needs of each single programme and unit, so that more and more colleagues will be inspired to become actively involved.

This is the thinking behind our union management initiatives such as the revision of our Statute and the creation of a web page system on the Centre's Intranet.

The effort to renew the Centre has only just begun. There are no mapped-out roads that we can just follow to reach the goal. It is up to us, the Staff Union and the Director's office, to find the best route, with due consideration to our respective mandates. Professionalism, motivation and dynamism will be among the tools that will successfully steer both parties along the way.

We are ready to move forward.