



THIRD ITEM ON THE AGENDA

**Programme and Budget proposals
for 2010–11****Director-General's proposals for
adjustments to the Programme and
Budget proposals for 2010–11**

1. Attached are two appendices summarizing the proposed adjustments to the original proposals and the revised budget totals resulting from these adjustments.
2. Appendix I details the adjustments to the budget in constant dollars.
3. Appendix II summarizes the revised proposals taking account of the revisions to cost increases and the programme adjustments indicated in Appendix I. The net effect of these adjustments is to reduce the nominal level of the proposals by \$3,998,058 from \$669,114,179 to \$665,116,121.
4. The Director-General will present his explanation of these adjustments prior to their discussion by the Committee.
5. *The Committee may accordingly wish:*
 - (a) *to propose that the Governing Body recommend to the International Labour Conference at its 98th Session (June 2009) a provisional programme level of \$665,116,121 estimated at the 2008–09 budget exchange rate of 1.23 Swiss francs to the US dollar, the final exchange rate and the corresponding US dollar level of the budget and Swiss franc assessment to be determined by the Conference;*
 - (b) *to submit to the Governing Body for proposal to the Conference at the same session a resolution for the adoption of the programme and budget for the 72nd financial period (2010–11) and for the allocation of expenses among member States in that period in the following terms:*

The General Conference of the International Labour Organization, in virtue of the Financial Regulations, passes for the 72nd financial period, ending 31 December 2011, the budget of expenditure for the International Labour Organization amounting to \$..... and the budget of income amounting to \$....., which, at the budget rate of exchange of Swiss francs to the US dollar amounts to Swiss francs, and resolves that the budget of income, denominated in Swiss francs, shall be allocated among member States in accordance with the scale of contributions recommended by the Finance Committee of Government Representatives.

Geneva, 18 March 2009.

Point for decision: Paragraph 5.

Appendix I

Adjustments to the operational budget

| | Revised budget 2008-09 | Budget proposals 2010-11 | Proposed adjustments | Revised budget proposals 2010-11 |
|--|---------------------------|--------------------------------|-------------------------|--|
| (in constant 2008-09 US\$) | | | | |
| PART I: ORDINARY BUDGET | | | | |
| Policy-making organs | | | | |
| International Labour Conference | 12,245,872 | 11,600,753 | - | 11,600,753 |
| Governing Body | 5,283,950 | 4,893,101 | - | 4,893,101 |
| Major Regional Meetings | 802,156 | 975,953 | - | 975,953 |
| Legal Services | 3,108,753 | 3,031,034 | (9,706) | 3,021,328 |
| Relations, Meeting and Document Services | 50,490,779 | 48,585,608 | (133,260) | 48,452,348 |
| | 71,931,510 | 69,086,449 | (142,966) | 68,943,483 |
| Strategic Objectives | | | | |
| Technical Sectors | | | | |
| Employment | | | | |
| Economic and labour market analysis | 7,266,300 | 7,077,371 | (19,276) | 7,058,095 |
| Skills and employability | 6,701,963 | 6,544,072 | (16,989) | 6,527,083 |
| Employment policy | 8,018,748 | 8,277,732 | (21,288) | 8,256,444 |
| Job creation and enterprise development | 12,499,305 | 12,977,354 | 397,560 | 13,374,914 |
| Executive Director's Office and central support | 6,022,310 | 5,713,842 | (14,929) | 5,698,913 |
| Regular budget technical cooperation | 2,320,526 | 2,320,526 | - | 2,320,526 |
| | 42,829,152 | 42,910,897 | 325,078 | 43,235,975 |
| Social Protection | | | | |
| Social Security | 8,898,017 | 8,125,442 | (24,422) | 8,101,020 |
| Labour Protection | 17,426,100 | 17,126,456 | 454,194 | 17,580,650 |
| HIV/AIDS and the World of Work | 1,499,703 | 1,638,586 | (4,454) | 1,634,132 |
| Executive Director's Office and central support | 1,638,717 | 2,596,001 | (8,157) | 2,587,844 |
| Regular budget technical cooperation | 1,281,240 | 1,281,240 | - | 1,281,240 |
| | 30,743,777 | 30,767,725 | 417,161 | 31,184,886 |
| Social Dialogue | | | | |
| Employers' activities | 4,978,270 | 4,978,270 | - | 4,978,270 |
| Workers' activities | 12,376,129 | 12,376,129 | - | 12,376,129 |
| Social Dialogue, Labour Law and Labour Administration | 8,651,571 | 9,133,319 | (25,303) | 9,108,016 |
| Sectoral Activities | 11,234,207 | 11,756,240 | 273,438 | 12,029,678 |
| Executive Director's Office and central support | 2,679,145 | 2,539,174 | (7,187) | 2,531,987 |
| Regular budget technical cooperation | 8,257,340 | 8,257,340 | - | 8,257,340 |
| | 48,176,662 | 49,040,472 | 240,948 | 49,281,420 |
| Standards and Fundamental Principles and Rights at Work | | | | |
| Fundamental Principles and Rights at Work | 7,183,113 | 7,403,836 | 380,962 | 7,784,798 |
| International Labour standards | 21,944,954 | 21,953,643 | (6,092) | 21,892,751 |
| Executive Director's Office and central support | 2,370,462 | 2,251,939 | (5,786) | 2,246,153 |
| Regular budget technical cooperation | 1,422,342 | 1,422,342 | - | 1,422,342 |
| | 32,920,871 | 33,031,760 | 314,284 | 33,346,044 |
| Cross-cutting programmes | | | | |
| Communications and Public Information | 23,387,098 | 22,802,420 | (56,301) | 22,746,119 |
| Partnerships and Development Cooperation | 9,287,272 | 9,055,091 | (26,109) | 9,028,982 |
| Gender Equality | 2,651,967 | 2,651,967 | (6,608) | 2,645,359 |
| Support to UN Reform and Inter-agency Programmes | 2,673,293 | 1,374,002 | (2,987) | 1,371,015 |
| International Institute for Labour Studies | 5,134,508 | 5,134,508 | - | 5,134,508 |
| International Training Centre of the ILO, Turin | 6,320,513 | 6,320,513 | 500,000 | 6,820,513 |
| Policy Integration | 6,862,439 | 6,862,439 | (18,735) | 6,843,704 |
| Statistics | 7,838,237 | 8,341,186 | (21,091) | 8,320,095 |
| Technical Meetings Reserve | 1,225,180 | 1,225,180 | - | 1,225,180 |
| | 65,380,507 | 63,767,306 | 368,169 | 64,135,475 |
| Total technical programmes | 220,050,969 | 219,518,160 | 1,665,640 | 221,183,800 |

| | Revised budget 2008-09 | Budget proposals 2010-11 | Proposed adjustments | Revised budget proposals 2010-11 |
|---|---------------------------|--------------------------------|-------------------------|--|
| (in constant 2008-09 US\$) | | | | |
| The regions | | | | |
| Field Programmes in Africa | 59,423,363 | 61,415,791 | - | 61,415,791 |
| Field Programmes in the Americas | 48,962,973 | 49,913,564 | - | 49,913,564 |
| Field Programmes in Arab States | 11,767,587 | 12,845,617 | - | 12,845,617 |
| Field Programmes in Asia and the Pacific | 53,130,736 | 54,146,706 | - | 54,146,706 |
| Field Programmes in Europe and Central Asia | 18,868,294 | 19,138,254 | - | 19,138,254 |
| | 192,152,953 | 197,459,932 | - | 197,459,932 |
| Support Services | | | | |
| Information Technology and Communications | 22,297,245 | 21,739,814 | (41,808) | 21,698,006 |
| Internal Administration | 39,175,449 | 38,196,063 | (61,831) | 38,134,232 |
| Procurement | 2,260,245 | 2,203,739 | (6,480) | 2,197,259 |
| | 63,732,939 | 62,139,616 | (110,119) | 62,029,497 |
| Total strategic objectives | 475,936,861 | 479,117,708 | 1,555,521 | 480,673,229 |
| Management Services | | | | |
| General Management | 8,199,799 | 7,994,804 | (21,295) | 7,973,509 |
| Human Resources Development | 20,709,015 | 20,231,290 | (52,686) | 20,178,604 |
| Financial Services | 13,531,573 | 13,193,284 | (40,171) | 13,153,113 |
| Programming and Management | 8,119,349 | 7,916,365 | (23,753) | 7,892,612 |
| Executive Director's Office, Management and Administration | 1,482,864 | 1,445,792 | (3,879) | 1,441,913 |
| | 52,042,600 | 50,781,535 | (141,784) | 50,639,751 |
| Oversight and evaluation | | | | |
| Internal audit and oversight | 2,126,590 | 2,126,590 | (6,228) | 2,120,362 |
| Ethics function | 177,473 | 177,473 | (224) | 177,249 |
| Independent Oversight Advisory Committee | 229,805 | 299,805 | - | 299,805 |
| Evaluation | 1,743,937 | 1,831,134 | (4,969) | 1,826,165 |
| | 4,277,805 | 4,435,002 | (11,421) | 4,423,581 |
| Other budgetary provisions | 35,402,984 | 35,402,984 | - | 35,402,984 |
| Adjustment for staff turnover | -5,428,583 | -5,428,583 | - | -5,428,583 |
| TOTAL PART I | 634,163,177 | 633,395,095 | 1,259,350 | 634,654,445 |
| PART II: UNFORESEEN EXPENDITURE | | | | |
| Unforeseen expenditure | 875,000 | 1,375,000 | (500,000) | 875,000 |
| PART III: WORKING CAPITAL FUND | | | | |
| Working Capital Fund | 0 | 0 | - | 0 |
| TOTAL (PARTS I - III) | 635,038,177 | 634,770,095 | 759,350 | 635,529,445 |
| PART IV: INSTITUTIONAL INVESTMENTS AND EXTRAORDINARY ITEMS | | | | |
| Security | 2,809,905 | 3,009,905 | - | 3,009,905 |
| Accommodation | 2,540,650 | 3,000,000 | (459,350) | 2,540,650 |
| Information and communication technology | 810,874 | 950,000 | (300,000) | 650,000 |
| Follow up to the Maritime Session of the Conference | 325,193 | 0 | - | 0 |
| IPSAS | 205,201 | 0 | - | 0 |
| TOTAL PART IV | 6,691,823 | 6,959,905 | (759,350) | 6,200,555 |
| TOTAL (PARTS I-IV) | 641,730,000 | 641,730,000 | - | 641,730,000 |

Appendix II

Provisional programme level for 2010–11 resulting from the adjustments proposed by the Director-General (in constant US\$)

| | (US\$) | (US\$) | 2010-11 provisional level (US\$) |
|--|-----------------|-------------------|--|
| Part I Ordinary budget | | | |
| Initial proposals | | 633,395,095 | |
| <i>Programme increases as per Appendix I</i> | 2,179,864 | | |
| <i>Programme decreases as per Appendix I</i> | <u>-920,514</u> | | |
| Net programme adjustments as per Appendix I | | <u>1,259,350</u> | |
| New proposal | | | 634,654,445 |
| Part II Unforeseen expenditure | | | |
| Initial proposals | | 1,375,000 | |
| Programme decrease as per Appendix I | | <u>-500,000</u> | |
| New proposal | | | 875,000 |
| Part III Working capital fund | | - | - |
| Part IV Institutional investments and extraordinary items | | | |
| Initial proposals | | 6,959,905 | |
| Programme decreases as per Appendix I | | <u>-759,350</u> | |
| New proposal | | | 6,200,555 |
| Provisional programme level (in constant dollars) | | | 641,730,000 |
| Cost increases | | | |
| Initial cost increases | | 27,384,179 | |
| Net cost increase due to programme adjustments | | 8,756 | |
| Reduction in provision for cost increases | | <u>-4,006,814</u> | |
| New proposal | | | 23,386,121 |
| <i>Total adjustments</i> | | <i>-3,998,058</i> | |
| Provisional programme level (recosted) | | | 665,116,121 |

Comparison with 2008-09 Programme and Budget

| | 2008-09 Budget | 2010-11 Provisional level | Increase/ (Decrease) compared with 2008-09 |
|---|--------------------|---------------------------------|---|
| Part I Ordinary budget | 634,163,177 | 634,654,445 | 491,268 |
| Cost increase | | 23,327,892 | 23,327,892 |
| Part II Unforeseen expenditure | 875,000 | 875,000 | - |
| Part III Working capital fund | - | - | - |
| Part IV Institutional investments and extraordinary items | 6,691,823 | 6,200,555 | -491,268 |
| Cost increase | | 58,229 | 58,229 |
| Total budget (Parts I - IV) | 641,730,000 | 665,116,121 | 23,386,121 |