



Governing Body

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Programme, Financial and Administrative Section
Programme, Financial and Administrative Segment

PFA

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FIRST ITEM ON THE AGENDA

Programme and Budget for 2012–13: Regular budget account and Working Capital Fund

Purpose of the document

This paper provides information on the position of 2012–13 income and expenditure as at 31 August 2013 together with the status of contributions by member States at this date. In accordance with established practice, the paper also proposes that the Governing Body authorize its Chairperson to approve transfers between items in the budget, should this be necessary, in order to close the financial period prior to the next session of the Governing Body (see the draft decision in paragraph 11).

Relevant strategic objective: Not applicable.

Policy implications: None.

Legal implications: None.

Financial implications: None.

Follow-up action required: None.

Author unit: Financial Management Department (FINANCE).

Related documents: None.

1. Information on the position of 2012–13 income and expenditure as at 31 August 2013 is submitted herewith. Additional information on the position of member States in relation to the receipt of contributions and additional 2012–13 expenditure items approved by the Governing Body is provided in tables in Appendix I. Tables 1 and 2 summarize and give details of member States' contributions for 2013, the amounts received and credited for current contributions and arrears of contributions up to 31 August 2013, and the amounts due as at that date, while table 3 gives details of additional 2012–13 expenditure items approved by the Governing Body.

Budgetary income and expenditure

2. Budgetary income is accounted for in US dollars at the ILO budget rate of exchange for the 2012–13 financial period, and Swiss franc expenditure is recorded in US dollars at the same rate of exchange, namely 0.84 Swiss francs (CHF) to the US dollar. Assessed contributions received and expenditure recorded during the current biennium up to 31 August 2013 were as follows:

	Swiss francs	US dollars
Income		
Contributions received against 2012–13 assessments	563 324 791	670 624 751
Arrears of contributions received against previous financial periods	<u>101 332 919</u>	<u>120 634 427</u>
Total income received	664 657 710	791 259 178
Less: 2010–11 deficit reimbursed ¹	<u>49 763 441</u>	<u>59 242 192</u>
Net income received	<u>614 894 269</u>	<u>732 016 986</u>
Expenditure		
Excess of income over expenditure for 20 months up to 31 August 2013		<u>83 405 019</u>

¹ As at 31 December 2011, in accordance with article 21.1(a) of the Financial Regulations, the deficit of CHF49,763,441 was covered by the Working Capital Fund (CHF35,000,000) and internal borrowings (CHF14,763,441). In accordance with article 21.2(a) of the Financial Regulations, arrears of contributions received in 2012 were used to reimburse the Working Capital Fund and internal borrowings.

Contributions of member States

3. Total assessed contributions for 2013 amount to CHF361,900,754¹ compared with CHF361,880,400 for 2012. Section I of table 1 indicates that, at 31 August 2013, assessed contributions for 2013 received from or credited² to member States totalled CHF217,194,836, which represented 60 per cent of the contributions assessed. For the same period in 2012, 59 per cent of the 2012 contributions had been collected. At 31 August 2013, 83 member States had settled their 2013 contributions in full, 30 member States had made partial payments while 72 others had made no payments against 2013 contributions. This compared with 89, 32 and 64 member States in the same situation respectively as at the same date in 2012.

¹ Includes South Sudan's 2012 and 2013 contributions of CHF7,347 and CHF10,856 respectively, and Palau's 2012 contribution of CHF2,151, assessed, following their admission to membership of the ILO, after adoption of the income budget by the International Labour Conference for the relevant period. South Sudan and Palau joined the ILO on 29 April 2012 and 29 May 2012, respectively.

² Details are given in footnote 1 to table 1.

4. Contributions received in 2013 in respect of 2012 and prior financial periods totalled CHF31,937,294, bringing total contributions collected at 31 August 2013 to CHF249,132,130.
5. At 31 August 2013, 13 member States had made payments against their 2014 contributions. These were Burkina Faso, Cameroon, Central African Republic, Guyana, Kazakhstan, Malawi, Mozambique, Panama, Saint Kitts and Nevis, Samoa, South Africa, Togo and Tunisia.

Position in relation to paragraph 4 of article 13 of the Constitution

6. Table 2 shows that, on 31 August 2013, the arrears of contributions of 17 member States equalled or exceeded the amount of the contributions due from them for the past two full years (2011–12). These were Antigua and Barbuda, Burundi, Cape Verde, Djibouti, Dominica, Gambia, Grenada, Guinea-Bissau, Kyrgyzstan, Papua New Guinea, Sao Tome and Principe, Sierra Leone, Solomon Islands, Somalia, Tajikistan, Uzbekistan and Vanuatu. In accordance with the provisions of paragraph 4 of article 13 of the Constitution of the Organisation each of these member States had therefore lost the right to vote.
7. A further 13 member States have arrears of contributions in excess of the amount due from them for the past two full years but are permitted to vote in accordance with paragraph 4 of article 13 of the Constitution of the Organisation under financial arrangements approved by the International Labour Conference, as follows: 93rd (2005) for Armenia, 95th (2006) for Azerbaijan, 86th (1998) for Belarus, 82nd (1995) for Cambodia, 97th (2008) for Central African Republic, 102nd (2013) for Comoros, 93rd (2005) for Georgia, 97th (2008) for Iraq, 88th (2000) for Kazakhstan, 88th (2000) for Liberia, 93rd (2005) for Republic of Moldova, 102nd (2013) for Paraguay and 99th (2010) for Ukraine.

Working Capital Fund

8. The nominal level and the cash level of the Working Capital Fund at 31 August 2013 both stood at CHF35 million.

Possible transfers within the 2012–13 expenditure budget

9. Article 16 of the Financial Regulations provides that transfers from one item to another in the same part of the expenditure budget may be effected by special resolutions of the Governing Body.
10. At this stage it is not possible to estimate accurately and in detail the final level of expenditure under each budget item; it is possible, however, that for some items, expenditure may exceed the budgetary provision, offset by savings under other budget items. The specific items between which transfers might need to be made and the exact amounts will be known only when final expenditure figures are available at the end of January 2014. Following the usual practice, the Director-General therefore proposes to submit a detailed list of any necessary transfers to the Chairperson of the Governing Body for approval at that time.

Draft decision

11. *The Governing Body may wish to delegate its authority under article 16 of the Financial Regulations by requesting the Director-General to submit proposals for any necessary transfers within the 2012–13 expenditure budget to the Chairperson for approval, prior to the closing of the biennial accounts, subject to confirmation of such approval by the Governing Body at its 320th Session (March 2014).*

Appendix I

Table 1. Assessed contributions of member States and amounts due by States for prior periods of membership in the ILO
(in Swiss francs)

Summary

	Amount due as at 1 January 2013	Amount received or credited ¹ up to 31 August 2013	Amount due as at 31 August 2013
I. Assessed contributions for 2013:			
Total assessed contributions for 2013	361 900 754 ²	217 194 836	144 705 918
II. Arrears of contributions for 2012 and prior financial periods:			
A. Arrears of contributions due by member States	72 174 035	31 937 294	40 236 741
B. Amounts due by member States for prior periods of membership in the ILO	245 066	–	245 066
C. Amounts due by States when they ceased to be Members of the ILO	6 370 623	–	6 370 623
Total arrears of contributions and amounts due for prior periods of membership in the ILO	<u>78 789 724</u>	<u>31 937 294</u>	<u>46 852 430</u>
Total	<u>440 690 478</u>	<u>249 132 130</u>	<u>191 558 348</u>

¹ Includes amounts totalling CHF7,794,063 credited to member States in respect of:

The Incentive Scheme for 2011	4 752 586
50 per cent of the 2010–11 net premium	3 041 477

² Includes South Sudan's 2012 and 2013 contributions of CHF7,347 and CHF10,856 respectively, and Palau's 2012 contribution of CHF2,151, assessed, following their admission to membership of the ILO, after adoption of the income budget by the International Labour Conference for the relevant period. South Sudan and Palau joined the ILO on 29 April 2012 and 29 May 2012, respectively.

**Table 2. Contributions received and outstanding
Details of movements between 31 December 2012 and 31 August 2013
(in Swiss francs)**

Member States	Amount Due to ILO as at 31 December 2012	Assessed contributions for 2013		Amounts received or credited (1) to 31 August 2013 in respect of		Balance due as at 31 August 2013
		%	Amount	Contributions 2013	Arrears	
A. States which have settled their 2013 contributions in full						
Armenia (5)	1 455 666	0.005	18 094	18 094	96 000	1 359 666
Australia (2)	-	1.934	6 998 767	6 998 767	-	-
Austria	-	0.852	3 083 221	3 083 221	-	-
Azerbaijan (5)	3 149 876	0.015	54 282	54 282	141 568	3 008 308
Bahrain (2)	-	0.039	141 133	141 133	-	-
Barbados	-	0.008	28 950	28 950	-	-
Belarus (5)	788 733	0.042	151 990	151 990	157 746	630 987
Belgium	-	1.076	3 893 833	3 893 833	-	-
Belize (2)	-	0.001	3 619	3 619	-	-
Bosnia and Herzegovina	-	0.014	50 663	50 663	-	-
Botswana (2)	-	0.018	65 138	65 138	-	-
Bulgaria	-	0.038	137 515	137 515	-	-
Burkina Faso (2)	-	0.003	10 856	10 856	-	-
Cambodia (5)	54 118	0.003	10 856	10 856	27 062	27 056
Cameroon (2)	-	0.011	39 807	39 807	-	-
Canada (2)	-	3.208	11 609 123	11 609 123	-	-
Central African Republic (5)	90 112	0.001	3 619	3 619	8 192	81 920
China	-	3.190	11 543 985	11 543 985	-	-
Croatia (2)	-	0.097	351 024	351 024	-	-
Cyprus	-	0.046	166 465	166 465	-	-
Czech Republic (2)	-	0.349	1 262 963	1 262 963	-	-
Denmark	-	0.736	2 663 440	2 663 440	-	-
Egypt (2)	-	0.094	340 168	340 168	-	-
Eritrea	-	0.001	3 619	3 619	-	-
Estonia (2)	-	0.040	144 752	144 752	-	-
Ethiopia	-	0.008	28 950	28 950	-	-
Fiji	-	0.004	14 475	14 475	-	-
Finland	-	0.566	2 048 243	2 048 243	-	-
France	-	6.126	22 168 793	22 168 793	-	-
Guatemala	-	0.028	101 326	101 326	-	-
Guyana (2)	-	0.001	3 619	3 619	-	-
Haiti (2)	-	0.003	10 856	10 856	-	-
Hungary	-	0.291	1 053 072	1 053 072	-	-
Iceland	-	0.042	151 990	151 990	-	-
Indonesia (2)	-	0.238	861 275	861 275	-	-
Ireland	21	0.498	1 802 164	1 802 164	21	-
Jamaica	-	0.014	50 663	50 663	-	-
Japan	-	12.535	45 361 708	45 361 708	-	-
Kazakhstan (2) (5)	2 058 687	0.076	275 029	275 029	257 335	1 801 352
Kenya	57 068	0.012	43 426	43 426	57 068	-
Kuwait	-	0.263	951 745	951 745	-	-
Latvia	-	0.038	137 515	137 515	-	-
Lesotho	-	0.001	3 619	3 619	-	-
Liberia (5)	95 349	0.001	3 619	3 619	11 919	83 430
Lithuania (2)	-	0.065	235 222	235 222	-	-
Luxembourg	-	0.090	325 692	325 692	-	-
Malawi	11 041	0.001	3 619	3 619	11 041	-
Malaysia	-	0.253	915 557	915 557	-	-
Malta	-	0.017	61 520	61 520	-	-
Marshall Islands	-	0.001	3 619	3 619	-	-
Mauritius	-	0.011	39 807	39 807	-	-
Morocco	-	0.058	209 891	209 891	-	-
Mozambique (2)	-	0.003	10 856	10 856	-	-
Namibia (2)	-	0.008	28 950	28 950	-	-
Netherlands (2)	-	1.856	6 716 500	6 716 500	-	-
Nicaragua	-	0.003	10 856	10 856	-	-
Norway	-	0.872	3 155 597	3 155 597	-	-
Panama	-	0.022	79 614	79 614	-	-

Member States	Amount Due to ILO as at 31 December 2012	Assessed contributions for 2013		Amounts received or credited (1) to 31 August 2013 in respect of Contributions		Balance due as at 31 August 2013
		%	Amount	2013	Arrears	
C. States which have made no payments but have received credits towards their 2013 contributions						
Albania	37 886	0.010	36 188	272	-	73 802
Algeria	-	0.128	463 207	13 356	-	449 851
Benin	11 503	0.003	10 856	49	-	22 310
Bolivia, Plurinational State of	-	0.007	25 332	750	-	24 582
Brazil	5 833 512	1.612	5 833 512	68 393	-	11 598 631
Brunei Darussalam	-	0.028	101 326	3 890	-	97 436
Chile	3	0.236	854 038	5 960	-	848 081
Congo	2 694	0.003	10 856	49	-	13 501
Gabon	1 512	0.014	50 663	1 448	-	50 727
Georgia (5)	2 503 600	0.006	21 713	378	-	2 524 935
Ghana	21 656	0.006	21 713	600	-	42 769
Israel	132 701	0.384	1 389 621	19 666	-	1 502 656
Jordan	-	0.014	50 663	737	-	49 926
Maldives, Republic of	3 619	0.001	3 619	48	-	7 190
Mexico	-	2.357	8 529 521	108 996	-	8 420 525
Montenegro	-	0.004	14 475	117	-	14 358
Nepal	76	0.006	21 713	635	-	21 154
Niger	7 194	0.002	7 238	38	-	14 394
Nigeria	573 692	0.078	282 267	129	-	855 830
Paraguay (3) (5)	837 259	0.007	25 332	45	62 348	800 198
Portugal	1 848 397	0.511	1 849 209	22 834	-	3 674 772
Russian Federation	-	1.603	5 800 943	190 798	-	5 610 145
Rwanda	-	0.001	3 619	43	-	3 576
Saint Vincent and the Grenadines	3 642	0.001	3 619	46	-	7 215
Serbia	-	0.037	133 896	1 718	-	132 178
Timor-Leste	1	0.001	3 619	48	-	3 572
Uruguay	97 698	0.027	97 708	1 573	97 698	96 135
	11 916 645	7.087	25 646 466	442 616	160 046	36 960 449

D. States which have made no payments nor received credits towards their 2013 contributions

Afghanistan	14 469	0.004	14 475	-	14 469	14 475
Antigua and Barbuda (4)	105 503	0.002	7 238	-	-	112 741
Argentina	1 306 342	0.287	1 038 597	-	651 200	1 693 739
Burundi (4)	12 411	0.001	3 619	-	-	16 030
Cape Verde (4)	9 120	0.001	3 619	-	-	12 739
Chad	14 738	0.002	7 238	-	-	21 976
Comoros (5)	503 839	0.001	3 619	-	54 461	452 997
Costa Rica	161 781	0.034	123 039	-	119 771	165 049
Côte d'Ivoire	179 855	0.010	36 188	-	143 267	72 776
Democratic Republic of the Congo	13 083	0.003	10 856	-	-	23 939
Djibouti (4)	105 718	0.001	3 619	-	7 318	102 019
Dominica (4)	26 264	0.001	3 619	-	-	29 883
Dominican Republic	254 038	0.042	151 990	-	-	406 028
Ecuador	116 531	0.040	144 752	-	-	261 283
El Salvador	76 853	0.019	68 757	-	-	145 610
Equatorial Guinea	28 950	0.008	28 950	-	-	57 900
Gambia (4)	48 960	0.001	3 619	-	-	52 579
Greece	2 620 051	0.691	2 500 594	-	646 991	4 473 654
Grenada (4)	11 245	0.001	3 619	-	-	14 864
Guinea-Bissau (4)	260 584	0.001	3 619	-	-	264 203
Iran, Islamic Republic of	2 056 025	0.233	843 181	-	800 000	2 099 206
Kiribati	9 841	0.001	3 619	-	6 044	7 416
Korea, Republic of	2 146 131	2.261	8 182 116	-	-	10 328 247
Kyrgyzstan (4)	1 147 598	0.001	3 619	-	-	1 151 217
Lebanon	137 029	0.033	119 421	-	91 311	165 139

Member States	Amount Due	Assessed contributions		Amounts received or credited (1)		Balance
	to ILO as at 31 December 2012	for 2013	%	to 31 August 2013 in respect of Contributions 2013	Arrears	due as at 31 August 2013
Madagascar	10 870	0.003	10 856	-	-	21 726
Mongolia	133	0.002	7 238	-	-	7 371
Palau (7)	-	0.001	5 770	-	-	5 770
Papua New Guinea (4)	15 014	0.002	7 238	-	-	22 252
Sao Tome and Principe (4)	218 542	0.001	3 619	-	17 432	204 729
Senegal	28 329	0.006	21 713	-	-	50 042
Sierra Leone (4)	415 644	0.001	3 619	-	-	419 263
Solomon Islands (4)	22 840	0.001	3 619	-	-	26 459
Somalia (4)	393 133	0.001	3 619	-	-	396 752
South Sudan (7)	-	0.003	18 203	-	-	18 203
Sudan	51 799	0.010	36 188	-	-	87 987
Syrian Arab Republic	104 491	0.025	90 470	-	-	194 961
Tajikistan (4)	575 713	0.002	7 238	-	-	582 951
Tanzania, United Republic of	35 278	0.008	28 950	-	29 407	34 821
The former Yugoslav Republic of Macedonia	25 332	0.007	25 332	-	-	50 664
United Arab Emirates	113	0.391	1 414 952	-	-	1 415 065
United States	15 638 312	22.000	79 613 688	-	15 638 312	79 613 688
Uzbekistan (4)	1 527 210	0.010	36 188	-	36 188	1 527 210
Vanuatu (4)	8 331	0.001	3 619	-	-	11 950
Venezuela, Bolivarian Republic of	1 114 459	0.314	1 136 304	-	-	2 250 763
	31 552 502	26.468	95 792 005	-	18 256 171	109 088 336
E. Amount due by States when they ceased to be Members of the ILO						
Former Socialist Fed. Rep. of Yugoslavia (6)	6 370 623	-	-	-	-	6 370 623
	6 370 623	-	-	-	-	6 370 623
Total	78 789 724	100.003 (7)	361 900 754 (7)	217 194 836	31 937 294	191 558 348

Notes to table 2: Contributions received and outstanding

Details of movements between 31 December 2012 and 31 August 2013

- (1) Amounts credited against 2013 assessed contributions represent the distribution of credits to eligible member States in respect of:

	Swiss francs
The Incentive Scheme for 2011	4 752 586
50 per cent of the 2010–11 net premium	3 041 477
Total credits	<u>7 794 063</u>

- (2) States which paid their 2013 contributions before 1 January 2013.
(3) Includes amounts due for prior periods of membership in the ILO.
(4) Member States which, at 31 August 2013, have lost the right to vote under the provisions of paragraph 4 of article 13 of the Constitution. Appendix II refers.

- (5) Armenia, Azerbaijan, Belarus, Cambodia, Central African Republic, Comoros, Georgia, Iraq, Kazakhstan, Liberia, Republic of Moldova, Paraguay and Ukraine are permitted to vote under financial arrangements approved by the following sessions of the International Labour Conference: 93rd (2005) for Armenia, 95th (2006) for Azerbaijan, 86th (1998) for Belarus, 82nd (1995) for Cambodia, 97th (2008) for Central African Republic, 102nd (2013) for Comoros, 93rd (2005) for Georgia, 97th (2008) for Iraq, 88th (2000) for Kazakhstan, 88th (2000) for Liberia, 93rd (2005) for Republic of Moldova, 102nd (2013) for Paraguay and 99th (2010) for Ukraine.
- (6) The former Socialist Federal Republic of Yugoslavia was deleted from the list of ILO member States on 24 November 2000.
- (7) Includes South Sudan's 2012 and 2013 contributions of CHF7,347 and CHF10,856 respectively, and Palau's 2012 contribution of CHF2,151, assessed, following their admission to membership of the ILO, after adoption of the income budget by the International Labour Conference for the relevant period. South Sudan and Palau joined the ILO on 29 April 2012 and 29 May 2012, respectively.

Table 3. Additional 2012–13 expenditure items approved by the Governing Body

Governing Body sessions	Description of items	Amount in US dollars
312th (November 2011) (GB.312/INS/16/3)	Costs associated with the election of the next Director-General	747 900 ¹
313th (March 2012) (GB.313/INS/6)	ILO/GB mission to Myanmar	58 000 ¹
315th (June 2012) (GB.315/INS/4)	Informal tripartite consultations with the Government, Employers' and Workers' groups. Follow-up to the discussions in the Committee on the Application of Standards of the 101st Session of the International Labour Conference	110 700 ¹
316th (November 2012) (GB.316/INS/14/4)	Meeting of Experts on Forced Labour and Trafficking for Labour Exploitation (Geneva, 11–15 February 2013)	302 000 ¹
317th (March 2013) (GB.317/INS/12/7)	Tripartite Meeting of Experts on Facilitating Transitions from the Informal Economy to the Formal Economy (Geneva, 16–20 September 2013)	484 600 ¹
318th (June 2013) (GB.318/INS/6/3)	Revised composition formula for the 19th International Conference of Labour Statisticians (Geneva, 2–11 October 2013)	66 200 ¹
	Total	1 769 400

¹ To be financed in the first instance from savings in Part I of the budget, or failing that, through Part II.

Appendix II

Member States which are two years or more in arrears and which have lost the right to vote under paragraph 4 of article 13 of the Constitution as of 31 August 2013 ¹

State	Years partly or fully due
Antigua and Barbuda	2000–12
Burundi	2009–12
Cape Verde	2010–12
Djibouti	1996+1998–2012
Dominica	2006–12
Gambia	1999–2012
Grenada	2010–12
Guinea-Bissau	1992–2001+2003–12
Kyrgyzstan	1992–2012
Papua New Guinea	2011–12
Sao Tome and Principe	1994–2012
Sierra Leone	1986–2012
Solomon Islands	2004–07+2010–12
Somalia	1988–2012
Tajikistan	1994–2012
Uzbekistan	1997–2012
Vanuatu	2010–12

¹ Excluding those member States which were two years or more in arrears but which had regained the right to vote because of financial arrangements approved by various sessions of the International Labour Conference.