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319th Session, Geneva, 16–31 October 2013

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TWELFTH ITEM ON THE AGENDA

## Report of the Board of the International Training Centre of the ILO, Turin

**75th Session of the Board**  
(Turin, 17–18 October 2013)

### Opening of the session

#### A. Introductory statements

1. *The Director-General of the ILO, Mr Ryder*, Chairperson of the Board, welcomed the members of the Board and invited the representatives of the Government of Italy, the Piedmont Region, the City of Turin and Unione Industriale to make introductory remarks.
2. *The representative of the Government of Italy, Mr Del Panta*, welcomed the Director-General's presence and saw it as a sign of his interest in the Centre, which was an important strategic institution for the host State and was renowned for its tradition of good governance and efficient management. Reiterating the Italian authorities' support for the Centre, he outlined the priorities which his Government had set for its upcoming presidency of the Council of the European Union, in particular concerning labour migration, and saw great potential synergies and many ideas for collaboration with the Centre.
3. *The Mayor of Turin, Mr Fassino*, outlined the development of Turin and of its image over the last two decades. Once a driving force behind the industrialization of Italy, Turin had become an important university city and a centre of excellence in technology and research. The United Nations campus was an asset to the city and the Centre was the cornerstone of that presence.
4. *The representative of the Piedmont Region, Ms Marcon*, reiterated the region's support for the Centre, which in recent years had included a financial contribution to the renovation of the current conference centre and the development of joint initiatives, in particular in

relation to the Turin School of Development. She expressed the wish that such collaboration would continue for many years to come.

5. *The representative of the Unione Industriale di Torino, Mr Rosi*, also spoke of the joint activities between the Centre and Turin enterprises, and once again expressed his desire for closer collaboration between the Centre and the local private sector.
6. *The Chairperson* thanked the speakers for the support provided by their institutions to the Centre.
7. Since it was his first time chairing the Board, the Chairperson shared his vision for the Centre and highlighted the main challenges which it would face in the context of the reform programme adopted by the ILO in response to the economic and financial crisis, namely: demographic change, environmental sustainability, the technological boom, growing poverty and inequality and the consequences for social justice.
8. The Chairperson emphasized that the Centre was an integral part of the ILO's institutional capacity and that its training and learning activities must therefore support and respond to the priorities of the constituents. The Centre was also a valuable resource for the staff of the Office, as was recalled in the ILO's Programme and Budget for 2014–15. Furthermore, the first Senior Management Team retreat would be held in Turin in January 2014.
9. Mindful of the problems faced by the Centre, while also confident of its ability to overcome them, as it had shown over almost 50 years of existence, the Chairperson considered that the Centre's success and its future were inextricably linked to the quality and relevance of its activities for the ILO's constituents and other partners.
10. The Chairperson summed up how he would like to see the Centre evolving over the coming years. In his view, the Centre should be:
  - creative, innovative and prepared to push out the knowledge boundaries;
  - outward-looking and engaged with ILO constituents at all levels as well as the wider academic and development community;
  - a leader in learning methodologies and technologies; and
  - a networked organization building on national and regional partnerships with institutions that share the values and goals of the ILO.
11. Lastly, the Chairperson introduced Mr Hougbo, Deputy Director-General for Field Operations and Partnerships, under whose portfolio the Turin Centre had been placed, who would take his place as the Chairperson of the Board on the Friday morning. He also welcomed the new Director of Training, Mr Klemmer, and wished him success in his new position.

## **B. Adoption of the agenda**

12. *The Chairperson* proposed, further to consultations with the officers, that agenda items 1 and 2 be considered together.
13. *The Board adopted the agenda as circulated.*<sup>1</sup>

<sup>1</sup> CC 75.

## I. Annual implementation report for 2012

(First item on the agenda)

## II. Interim implementation report for 2013

(Second item on the agenda)

14. *The Director, Ms O'Donovan*, introduced the three documents.<sup>2</sup> She pointed out that 2012 had been a particularly challenging year with a substantial reduction in income (18 per cent), a reduction in participants and in the overall volume of training activities. She expressed her appreciation to the staff for a good overall performance in that challenging year. She pointed to measures to reduce non-staff costs which had contributed to a budget surplus for 2012. Furthermore, she pointed out that, notwithstanding the reduction in the Italian voluntary contribution, the Centre had received important financial contributions for projects from the Italian Government. In addition, the Centre had acquired a number of new donors and new partners in 2012.
15. The interim implementation report for 2013, and the updated statistics presented in the addendum to the report, showed an estimated increase of 6 per cent in income and an increase in activities of 16 per cent, which represented a turnaround in 2013 from the declining figures for 2012. The Centre would further align itself with the ILO reform process and follow closely the introduction of the areas of critical importance (ACIs) and also the review of field operations and technical cooperation. She highlighted the implementation of the new security system in compliance with UN standards; the successful completion of the implementation of International Public Sector Accounting Standards (IPSAS); the launch of a new business intelligence project; and the renovation of the Europe Pavilion, which had just started.
16. She concluded by pointing out that the Centre was moving forward, taking on important new projects and regaining some of the ground lost in the past year. The number of participants and volume of training activities in 2013 were comparable to, or even higher than, the levels reached in 2010. The Centre found itself in 2013 in a much more stable scenario than the year before and the outlook for the coming year was very positive.
17. *The Worker Vice-Chairperson, Mr Ntshalintshali*, welcomed Mr Ryder, the ILO Director-General, as Chairperson of the Board and looked forward to fruitful developments under his guidance. He also thanked the Italian Government, in particular for its decision to re-establish a voluntary contribution, which demonstrated its long-standing support for the Centre even at a time of serious budgetary constraints. Likewise, he expressed his gratitude to the Piedmont Region and the Mayor of Turin for the support provided to the Centre.
18. He noted that the two reports exposed many structural weaknesses in terms of pursuing the Centre's objectives. He noted the tendency to shift away from training ILO constituents in core ILO topics and to move towards a quantitative assessment without taking into account qualitative aspects, such as the participation of workers and employers in courses not run by the Bureau for Workers' Activities (ACTRAV) and the Bureau for Employers' Activities (ACT/EMP), general participation levels of the tripartite actors, and the inclusion of international labour standards in the training activities. He also noted that information on international labour standards, tripartism and some staff-related data were no longer included in the report.

<sup>2</sup> CC 75/1; CC 75/2 and CC 75/2/Add.

19. He considered that the Centre's operations should be more closely linked to the ILO's overall approach based on fundamental rights at work, tripartism, social justice and decent work. Enhanced institutional capacity of the ILO's constituents was key to achieving ILO reform. However, capacity building could not be achieved as a side effect but must be rooted in a joint Centre-ILO strategy. The new Strategic Policy Framework of the ILO should include an Office-wide outcome such as "Capacity building for constituents on the Decent Work Agenda" with appropriate indicators and adequate resource allocation for training. A much more ambitious approach was needed to reinforce the Centre's core business of training ILO constituents, contributing to the ILO's strategy, as well as tripartism. Furthermore, the Workers' group was concerned about the diversification of resources, which had mainly benefited non-ILO activities and non-ILO constituents, in contrast to the target of an 80/20 split between ILO and non-ILO activities. A two-tier strategy could progressively dilute the core nature and mandate of the Centre.
20. Specifically, he pointed out that problems in relation to meeting some targets could not be explained just by reference to the discontinuation of the Spanish employers' and workers' projects or to the reduction in unearmarked voluntary contributions. Some activities linked to the core ILO mandate, such as international labour standards and rights at work, as well as gender equality, had experienced a declining trend in participant numbers compared to growing participant numbers in other programmes such as the Distance Education and Learning Technology Applications (DELTA) and Sustainable Development and Governance. There was also a declining trend in workers participating in non-ACTRAV activities. The resource diversification and outreach strategy was not contributing sufficiently to the ILO core mandate or to the Workers' activities. He expressed concern over the apparent decline in direct collaboration with ILO departments and sought explanations of conflicting data on increased cooperation with the ILO, especially non-training activities. In that regard, the work on ACIs was a positive step and demonstrated timely involvement of the Centre. New targets for worker participation were set at more achievable levels but at the same time displayed lower ambitions for the capacity building of workers. In particular, the academies and the Turin School of Development hardly benefited workers.
21. He welcomed the complementary measures to increase support to both the Workers' and Employers' Programmes to be tested in 2014. But those in-house measures would not ensure sufficient resources for the capacity development of constituents. Those structural gaps should be addressed within the Centre's new framework with the Partnerships and Field Support Department (PARDEV). He appreciated positive developments in improving the campus facilities and information technology (IT) management and the greening of the campus. In addition, he also mentioned the positive results in the area of gender equality and gender mainstreaming in general and specifically the high number of women participants in the Workers' Programme in 2012. However, more efforts should be made to increase the number of women participants from the Arab region. He expressed concern that the evaluation of the academies had been postponed to 2014 and reiterated that such an evaluation needed to cover qualitative aspects such as the inclusion of international labour standards, tripartism and tripartite participation. He concluded by proposing the introduction of a second Board session to coincide with the March session of the Governing Body, to reduce the current time lapse of ten months between the issuance of the financial statements, the report of the external auditors and the Board discussion of those papers.
22. *The Employer Vice-Chairperson, Mr De Meester*, thanked the Director-General for his presence at the Board meeting. It was a much appreciated sign of the ILO's interest in the functioning and the future of the Centre and its important role in capacity building. Likewise, he welcomed Mr Hougbo's presence. He congratulated the Centre for the positive performance shown in 2012 and 2013, despite a difficult environment, and

attributed that success to good management, generous additional funding by the ILO, progress in resource mobilization and the resumption of voluntary funding by the Italian Government. He acknowledged the new specific measures taken to support the activities with the social partners' programmes. The progress in reducing overhead costs was viewed positively by his group; however, there were reservations concerning the reformulation of one indicator, which was seen as crucial for the Centre's long-term survival.

23. He noted that the Centre's main tasks were evolving with greater emphasis on ACIs; greater openness to the UN system; more prominence given to ILO staff training; the strengthening of research; and the expansion of the Turin School of Development. He emphasized that the main role of the Centre was in strengthening the capacity of its constituents in general and – for the Employers' group in particular – in building the capacity of employers' organizations, and capacity building of companies in the field of corporate social responsibility, an area where the role of employers was insufficiently recognized. The role and direction of the Centre, as well as the technical cooperation and field operations review and other reform processes in the ILO, should be taken into account to better define its role in the subsequent administrative and operational framework.
24. He noted the important positive changes in 2013, such as the increase in the number of activities and participants, investment in innovation and resource mobilization and a clearly structured strategic plan. A particular area of concern for his group was the revision of the indicator related to overhead costs. It was not clear what impact that would have on the ambitious target which had originally been set. He reiterated the importance of maintaining strong measurement methods. He expressed satisfaction with implementation of the recommendations of the auditors. He thanked the Italian Government for its fixed allocation and for reactivating its voluntary contribution, as well as the ILO and other sponsors of the Centre. However, further efforts were needed for 2014 in order to return to pre-2010 levels. A detailed resource mobilization plan was needed in that regard. With regard to the reform process, the Employers' group was pleased with the current achievements and changes in operating procedures.
25. He raised a number of specific questions regarding the outcomes and indicators. Those included questions on the participants from institutions other than ILO constituents; the need to set a target for the share of participants from constituents; the results of ex-post evaluations; the usefulness of indicator 1.5 (percentage of training activities designed and delivered in collaboration with the ILO); the percentage of ILO staff development and training programmes; the number of students at the Turin School of Development; and an indicator on training days.
26. *The Government Vice-Chairperson, Ms Coent*, welcomed the presence of the Director-General and thanked the Italian authorities for their support of the Centre. She also called for increased synergies between the Centre and headquarters, in particular with the future ILO Research Department. She commended the efforts made by the Centre's management, who had enabled such positive results to be attained and in particular, in difficult economic circumstances, had achieved a budget surplus of almost €1 million in 2012.
27. She welcomed the attention given to gender balance in the two documents as well as the Centre's participation in the ILO's reform process, and asked whether it was possible to receive more detailed information about the nature of the Centre's contributions to the working groups on policies and management reform. She also noted with interest the future prospects offered by the Turin School of Development, whose linguistic diversity she appreciated.

28. Concerning the priorities stated in the documents, she welcomed the efforts to find new sources of funding and the collaboration with national training institutes. She underscored the matter of competitive bidding. The Centre must maintain expertise in that area because the acquisition of contracts represented an acknowledgement of the Centre's ability to operate in a competitive environment. She was also of the view that the Centre should look into the reasons why the ex-post surveys had such a low response rate.
29. Turning to the interim figures for 2013, she congratulated the management for the promising results, but expressed concern at the reduced number of field and distance activities, and hoped that it was not indicative of a wish to recentralize activities in Turin.
30. *The representative of the Government of the Islamic Republic of Iran* noted that the reports contained useful statistical comparisons. The 2012 report deserved particular attention as it was the first implementation report to be presented in the framework of the Strategic Plan for 2012–15. He noted that adjustments might be required, especially with regard to data collection and analysis. That was important for evaluating the impact on former participants in respect of the improvement of professional competencies and the general benefits in terms of their job performance, and the ex-post evaluations had a crucial role to play. He encouraged the Centre to further strengthen the evaluation methodology and scope of the surveys in order to improve the information provided on that matter. The Centre should work on enhancing the response rate. He also pointed out that the Asia and the Pacific region did not benefit proportionally from the Centre's activities and geographical representation by regions needed to be further improved. With respect to the Gender Action Plan for 2012–15, he commended the Centre on having increased the percentage of women participants to 41.4 per cent in 2012. In terms of the development of new training products and the diversification of training delivery, he encouraged the Centre to further strengthen the academies and to expand its activities, particularly in relation to the pilot PhD programme.
31. *The representative of the Government of Italy* noted that his Government was satisfied with both reports. He wished to make three points relating to efficiency, cost reduction and fundraising. He noted in positive terms that training activities had not decreased as much as the financial reductions suffered by the Centre and remarked positively on the reduction in non-staff costs, due to a new service contract. He also noted that the Centre was able to mobilize new resources, including private financing, and to develop new activities. He highlighted the staff and management commitment and joint effort to adapt to the changing environment and to reach a positive financial result and fully comply with IPSAS requirements. That was in spite of the challenges faced by the donor countries, including Italy, and a reduction in the revenue from training activities during the peak year of the economic crisis. He attributed that positive result to sound management and encouraged the Centre to further pursue the targeted spending review, to achieve further savings while maintaining qualitative output and to diversify its resource base and outreach. With respect to fundraising, he appreciated that the Centre was able to compete with other actors in the field of training and to develop new activities through fundraising. Furthermore, he assured the Centre of the continued support of his Government and encouraged the management to continue its endeavours to strengthen and equip the Centre to better serve its constituents.
32. *The Director* noted that 2012 was the first year that the Centre had presented a performance-related report to the Board. Adjustments and improvements still needed to be made and the many useful suggestions for improving the reports made during the discussion were noted. While 2012 had been a difficult year, she appreciated that the Board had acknowledged the efforts made and that those efforts had borne fruit for 2013.
33. Responding to some of the specific points, she referred to the issue raised by the Worker Vice-Chairperson concerning quantitative versus qualitative indicators. She explained that

there was an ongoing debate about what could be measured and what could not, and about what could be reported on as results of, and attributable to, the training activities of the Centre. Qualitative data in relation to the impact of training were not easy to capture and she accepted that the report was focused mainly on quantitative data. The ex-post evaluation surveys were intended to measure the impact on the participants using indicators which measured the use of training made by participants as well as by their institutions. She agreed that the methodology was not perfect, and that obstacles to follow-up and to getting higher response rates needed to be addressed. She affirmed that the comments provided by the Board members on these indicators would be taken into consideration.

- 34.** As to the participation of constituents in training activities in 2012, the Workers' and Employers' Programmes had been affected disproportionately by reductions in resources and the non-renewal of a major project. She was also disappointed with the figures for 2012. Accordingly, she had proposed some internal adjustments to support those programmes in 2014. She pointed out that the estimated figures for 2013 were consistent with the historical situation. Constituents normally accounted for some 30 per cent of participants, including in those years when the Centre had substantially higher levels of resources at its disposal for the training of constituents. Thus, it was not accurate to state that there had been a "shift away" in recent years from the training of constituents. However, the Director agreed that 30 per cent was not good enough and that there should be higher participation by constituents. She welcomed the proposal from the Employers' group, which could be introduced as a future indicator which would measure the overall participation of tripartite constituents as a proportion of overall participants.
- 35.** With regard to the comments on the reform process and the ACIs, she noted that it was a work in progress. The Director-General and the Deputy Director-General had both visited the Centre to explain and promote the reform process. To date, the Centre had been involved in the earlier stages of the transition, the management and reform agenda and the ACIs. Nevertheless, it was important to understand that the Centre was not in the driving seat on those issues but needed to follow closely ILO developments, including the discussions on the next Strategic Policy Framework of the ILO, and make its contribution to the reform process through the appropriate channels.
- 36.** As far as the indicator on activities delivered in collaboration with the ILO was concerned, the target for 2013 had been set at 50 per cent and the Centre was forecasted to meet it. As the number of activities with other partners had increased in 2013, the ratio of activities involving ILO departments had been affected. That indicator was very important as it assessed the depth of collaboration and cooperation with the ILO.
- 37.** As for the comments regarding the academies, the Centre had cut back the number of academies in 2012 to focus more resources on financing its core training activities. Nevertheless, an important number of academies had taken place in 2012. Some academies only took place every second year, with an effort to increase the number of participants per event. The evaluation of the academies had not been postponed. In 2012, the Centre had completed the first phase of the evaluation of three selected academies. Internal evaluation reports were being prepared in 2013 and a meta-evaluation was in the process of being undertaken by the ILO's Evaluation Unit. A report on its findings would be presented to the Board at its 2014 meeting in accordance with the agreed schedule.
- 38.** A Workers' group member, Ms Del Rio, said that evaluation should not only look at the quantity of activities. The Centre's activities should be more closely linked to ILO priorities, integrated with the ILO's strategic planning and ACIs. There were a lot of training activities in which workers and employers were not involved, such as academies and Masters' programmes, which was a concern. Furthermore, the Centre's fundraising

strategy should be linked to ILO priorities and managed together with ILO headquarters and the Global Management Team. She expressed concern over statements that the Centre had to be open to the market, particularly in respect of donations by private donors and of activities that were not linked to the ILO mandate.

39. *The Chairperson* thanked everyone for their comments.
40. *The Board* took note of the documents and requested the Director to take into account the comments and guidance provided during its discussion.

### III. The evolving role of the Centre and the ILO reform agenda (Third item on the agenda)

41. *The Director* introduced the document.<sup>3</sup> She explained that the paper responded to a request made by the Board at its 74th Session (November 2012) for an opportunity to review and discuss the main elements of the ILO reform agenda. Outlining the main points of the paper, she said that it highlighted the strategic opportunity for the Centre presented by the ILO reform agenda and provided an overview of the strengths of the Centre to be leveraged for the future. The paper set out the work of the Centre under four headings: capacity development of ILO constituents; knowledge-sharing and dissemination of ILO standards, policies and strategies; ILO staff development; and outreach with the UN system and other development partners. In regard to efficiency and effectiveness, it proposed that the Centre would retain the results-based framework and continue to be aligned with the ILO's strategic planning cycle. It raised the question as to whether the Centre should move to a biennium budgetary cycle, to be aligned with that of the ILO. It highlighted an opportunity for the ILO to make greater use of the multimedia publishing facilities of the Centre, as well as opportunities to improve the IT infrastructure and information exchange between the ILO and the Centre. Finally, the paper posed a number of points for consideration: whether and how the presence of the ILO could be reinforced on the campus; whether the Centre should consider changing its name to better reflect its purpose and orientation; and whether the Statute should be reviewed, which would be required if amendments were made to its budget cycle and name.
42. *The Worker Vice-Chairperson* said that, owing to the implications of the broader reform process of the ILO for the Centre, discussion on the role of the Centre should also take place in the ILO Governing Body, particularly in relation to the elaboration of the new Strategic Policy Framework. The discussion should consider the role of training and learning as part of the ILO's capacity development strategy. While the paper provided a good overview of the Centre's work, the single most important role and priority of the Centre was and should remain the capacity building of ILO constituents on the ILO Decent Work Agenda. He highlighted that, as stated in the paper, tripartism was a strength of the Centre but that, in reality, tripartite participation was on the decline. Furthermore, there was a need to promote more vigorously tripartism and international labour standards as a cross-cutting theme in all activities of the Centre. The document should consider what resource strategy needed to be developed by the Centre and by the ILO to address the challenges in planning and the unpredictability of resources, identify proposals to satisfy the demand and priorities of the constituents, and increase the participation of ILO constituents.

<sup>3</sup> CC 75/3.

43. Concerning the ILO reform agenda, he welcomed the engagement of the Centre with the ACIs, while cautioning that such engagement should be balanced with the various areas of the Decent Work Agenda. Regarding the paragraphs related to “efficiency and effectiveness” and those on “other issues,” the Workers’ group saw value in having a two-year budget cycle and would also see value in moving the Board meeting to March. Changes to the Statute, however, should be considered only at the end of the discussion on the ILO reform agenda. Clear reference should be made in the paper to the fundamental role of the transparent and open participation of staff and Staff Union representatives in the process of reform.
44. *The Employer Vice-Chairperson* said that the paper could be seen as a work in progress which would benefit from internal consultation in the Centre and with stakeholders and from reflection on the results of the Field Operations and Technical Cooperation Review, when available. The paper contained many interesting points, but more detail was needed on how objectives would be achieved. He welcomed the paper’s reflection on the entrepreneurial operating model of the Centre, its vision of the Centre as a space for reflection and experimentation for ILO constituents, and its proposal to further develop the Centre’s training on labour statistics in collaboration with the ILO Department of Statistics. On the other hand, he would have expected, among other things, a deeper reflection on the complementarity of the Centre with the ILO, a discussion on future methods of learning, a reflection on the relationship of the Centre with the ILO regional offices, and additional discussion on the role of the Centre in knowledge-gathering. He called for reconfirmation of the main role of the Centre in capacity development for constituents, and noted the need for a strategy for financial sustainability.
45. *The Government Vice-Chairperson* requested clarification and further details on some points in the report. First, she asked about the methods which would be used for the Centre’s activities within the ILO’s Programme and Budget for 2014–15. She considered that paragraph 32 should be formulated in the indicative and not in the conditional. She raised the matter of statistics, an essential factor for the ILO’s future activities. She was of the view that the possibility to define statistics-based indicators was a determining factor in the decision on whether or not to use any indicator, and linked the issue to the discussion on setting indicator-based objectives in the context of the post-2015 development agenda, among others. She also proposed that the Centre should host meetings of statisticians.
46. She requested more in-depth information about the services offered by the Centre’s multimedia design and production unit. She noted the interesting proposal of reinforcing the ILO’s presence on the campus, for example by locating a large technical cooperation project there. She supported the proposal, but wondered about the potential legal consequences. Lastly, she stated that her group was willing to discuss a possible name change for the Centre on the basis of the management’s proposals.
47. *The representative of the Government of Italy* said that, while the ILO reform agenda presented an important opportunity for the Centre, the reverse was also true as the Centre had become a valuable component of the wider ILO. She attached particular value to the cooperation between the Centre and PARDEV and noted with appreciation the idea of having a framework of understanding between the Centre and the Research Department, observing that stronger cooperation between the Centre and the knowledge structure of the ILO would enrich the capacity and reach of the ILO. Furthermore, she supported the increased focus of the Centre on ILO staff development, the consideration of ways to increase staff mobility between the Centre and the ILO, and the idea of locating an ILO technical cooperation project on the Turin campus.
48. *The representative of the Government of Niger* stressed that any change to the name of the Centre should not question the primary mission of the Centre, which was training.

49. *The representative of the Government of Togo* said that learning and training were the mandate of the Centre and cautioned that the Centre should not branch out too far, lest it lose sight of its initial mandate.
50. *The representative of the Government of Brazil* commended the Centre on its work in the context of the ILO reform agenda and requested additional information on the proposal to locate an ILO technical cooperation project at the Centre.
51. *The representative of the Government of the Netherlands* agreed that increased cooperation with PARDEV was very important, but stressed that there was much to be gained by the Centre and the ILO working together with the private sector. He encouraged the Centre to further explore hosting an ILO technical cooperation project on the campus, but noted that the costs and benefits should be carefully considered.
52. *The representative of the Government of China* expressed appreciation for the work of the Centre, noting that Chinese participants had gone on to become government ministers. He further expressed hope that the Centre could cooperate with his country's national training centres in the fields of labour and social security.
53. *The representative of the Government of Zimbabwe* suggested further reflection on the respective roles of the Centre and the ILO International Institute for Labour Studies, to ensure that, with the current changes taking place, the Centre maintained a distinct mandate and area of involvement.
54. *The representative of the Islamic Republic of Iran* underlined the important role of the Centre's pedagogical framework, the Turin Learning Approach, and encouraged the Centre to continue to develop that capacity with the support of its specialized unit dedicated to learning and knowledge-sharing methodologies and technologies. He also expressed appreciation for the contribution of the Centre to the concept of sustainable learning, noting its important link to the post-2015 development agenda. Also in line with that agenda and the call for a data revolution, the Centre should further enhance its training on labour statistics in cooperation with the ILO Department of Statistics.
55. *The representative of the Government of Panama* recalled an offer made in 2011 for an extension of the Centre to Panama, with a focus on maritime topics. Panama had the capacity and facilities to train workers in the Latin American region and travel expenses would be reduced. The Government of Panama was grateful to the Centre for the training received by many workers and government officials at the Centre, and could offer the necessary facilities for a training of trainers structure.
56. *The representative of the Government of Ghana* expressed support for efforts to bring the Centre closer to the regions through field operations and partnerships, which would assist in identifying the training needs based on constituents' priorities.
57. *The representative of the United Nations Development Programme (UNDP), Mr Rogers*, referred to the UN Secretary-General's initiative to consolidate the existing UN Secretariat entities for training, research and knowledge-sharing. He asked whether that initiative played a role in the Centre's long-term strategic thinking related to its evolving role.
58. *The Director* reiterated that the document was not intended to reach specific conclusions and decisions during the current meeting of the Board, but was intended to generate a good discussion and reflection on future directions for the Centre. In relation to pillar 1, she agreed that the issue of how to better develop tripartism and its added value for the Centre should be further developed. Regarding the issue of research and the knowledge role of the Centre, captured under pillar 2, she clarified that, although the Centre was not a research

institution, it had an important role to play in knowledge-sharing and the dissemination of ILO research findings. Likewise, the Centre would work together with the ILO Department of Statistics, not in the area of statistical research but rather in developing the capacity of constituents to use statistics in their policy analysis. She noted the support expressed by the Board for the possibility of locating an ILO technical cooperation project at the Centre, taking into account any technical and legal issues. On the wider question of partnerships, the Centre needed to network and create partnerships in the form of closer collaboration with countries. In response to the question raised by the UNDP representative, she said that the Centre was aware of the discussions taking place on the consolidation of the training entities of the UN Secretariat but was not directly involved in that initiative.

59. *The Chairperson* referred to two basic points raised by many Board members. First, he reiterated that the discussion was only the start of a broad consideration on the evolving role of the Centre and the ILO reform process, with the document presented as a guide for discussion. Second, he agreed that the discussion on the role of the Centre was a two-way process, in which the Board and the ILO Governing Body must both reflect on its fit. The discussion on topics such as statistical and technical capacities, and the need for indicators and quantifiable measurement and targets in areas of interest to the ILO and the post-2015 development agenda, served as a healthy reminder of the way in which the future direction of the ILO and of the Centre were closely intertwined.
60. He noted that the Centre's identity as an ILO body was clearly important to the Board, and assured members that there should be no doubts about the focus of the Centre on contributing to the ILO's objectives, in particular the capacity building of the tripartite constituents. He also assured the Worker Vice-Chairperson that the issue of the timing of the Board meetings would be taken up in the appropriate forum.
61. *The Board took note of the document and requested the Director to take into account the comments and guidance provided during its discussion.*

## IV. Financial questions (Fourth item on the agenda)

### Programme and Budget proposals for 2014

62. *The Director* presented the document, highlighting that 2014 would be the third year of implementation in the four-year strategic plan.<sup>4</sup> She noted that the Centre was continuing the results-based system introduced in 2011 with the Strategic Plan for 2012–15. As the Centre moved to the midway point in implementation of the Plan, it was time to take stock of progress. Taking into account lessons learned from the first two years, indicators and targets had been adjusted as necessary in the proposals for 2014.
63. Strategic collaboration with the ILO remained a central element for the Centre. In addition, resource mobilization remained a priority and there would be a consistent and coherent effort to strengthen the Centre's resource mobilization strategy. The Centre's collaboration with PARDEV had been put into a framework which provided a formal structure to coordinate activities to maximize overall opportunities. The Centre's management was committed to maintaining efforts in terms of savings and cost efficiency in 2014.

<sup>4</sup> CC 75/4.

64. Turning to certain new elements in the proposals, she said that there had been an effort to reposition the Centre's activities and to introduce new training and tools linked to the ACIs. There would be increased ILO staff development activities as foreseen in the ILO's Programme and Budget for 2014–15. A package of new measures would be introduced to support the Workers' and Employers' Programmes. To enhance the coherence of the Centre's activities, a centralized e-campus would be launched in 2014, as would a harmonized certification framework. New communication and promotional activities were planned, including knowledge fairs linked to major ILO activities, based on successful experiences in Jeddah and Riyadh in 2013.
65. For the first time, the Centre would introduce a stipend in 2014 to recognize the contribution of interns, and in accordance with ILO practice. Finally, a business intelligence tool would be rolled out to provide managers with access to online data on the financial performance and other indicators of their programmes.
66. Regarding assumptions underlying the 2014 programme and budget, it was expected that synergies with the ILO would continue in relation to staff training and resource mobilization; new opportunities for delivering capacity development would be identified linked to the ILO's review of technical cooperation and field operations; new partnerships with donors would be established; the Government of Italy would continue to make an *ex lege* contribution, and continued savings would be made through administrative and operational efficiencies.
67. In addition, an increase in staff salaries of 1.5 per cent was built in to accommodate the statutory decisions of the International Civil Service Commission (ICSC), and an inflation rate of 1.7 per cent was also taken into account. Finally, proposals for the use of the 2012 budgetary surplus of €975,000 were presented. She also proposed that the surplus would be allocated to supporting training activities, replenishing the Innovation Fund, and an allocation made to the Campus Improvement Fund for the Europe Pavilion renovation project.
68. *The Worker Vice-Chairperson* expressed concern about the proposed adjustment of indicator 1.1 to reflect the lower number of workers and employers expected to participate in the Centre's activities. He called on the Centre and ILO to work together on a strategy to mobilize new resources, in particular those linked to the capacity development of ILO constituents. While he acknowledged with appreciation the efforts to find an in-house way to support the Workers' and Employers' Programmes, a structural solution was needed to give the training offered by the Centre a visible and predictable place in the ILO programme and budget. Furthermore, he noted that diversification of the resource base and expansion of the Centre's outreach was not in itself a guarantee of the dissemination of ILO values and principles, and called for a qualitative indicator to measure the effective mainstreaming of the Decent Work Agenda and ILO fundamental standards. In addition, he stressed the importance of providing more efficient and effective support for training in order to ensure a more balanced distribution of human resources and thus strengthen the capacity of the Centre. In that regard, he requested clarification of the need to reformulate indicator 3.2 on management and administrative support costs, to change the reference from "total staff costs" to "total expenditure".
69. *The Employer Vice-Chairperson* expressed his overall positive reaction to the document, including the more realistic targets and its recognition of the importance of tripartism. While he welcomed the increased alignment with the ILO, the focus on the ACIs should not detract attention from the 19 ILO outcomes, including stronger employers' organizations. In addition, he requested clarification on the need to reformulate indicator 3.2 on management and administrative support costs and asked for information on specific measures to reduce overhead costs. As cost efficiency was essential to the

Centre's sustainability, action to decrease overhead costs must be taken and communicated. In addition, the Centre should benchmark its expenditures in that regard with those of other institutions. He noted an apparent discrepancy in figures. He proposed approving the budget but retaining the old indicator until further discussion could take place. It was striking that general operating expenses were increasing while all other elements seemed to be going down. An explanation was requested on the factors that made up the general operating expenses. Finally, the mechanism to allocate a part of the surplus to social partners' programmes was a positive step but other measures would also be needed. In that regard, the Centre should look into ways to increase ILO expenditure on capacity building as an important pillar of technical cooperation.

70. *The Government Vice-Chairperson* viewed the Programme and Budget proposals for 2014 as the logical extension of the discussion on the third item on the agenda, and thus regretted that the four pillars referred to in the document on the evolving role of the Centre were insufficiently reflected in the programme and budget proposals. She therefore requested that, in the future, the programme should detail activities more clearly from the perspective of synergies with the ILO and that the document proposed to the Board should reflect the new relationships between the Centre and headquarters.
71. She also sought an explanation of why the participants' costs had increased while the number of participants and days of training had decreased. Her group supported the proposal to use part of the surplus for activities for employers and workers and to involve the social partners in the other training programmes. She wondered about the consequences of the new measures concerning contribution to fixed costs. She also emphasized the importance of linguistic diversity in the courses and training materials.
72. *The representative of the Government of Kenya* offered support for the capacity-building activities of the Centre, for the new e-campus, for the harmonized certification framework, and for the use of the surplus to support the training of workers' and employers' organizations. In the current era of austerity measures in various countries, many labour institutions had been affected and there was a need to bring tripartite actors together so they could bring value to the labour market.
73. *The representative of the Government of Italy* stated that, since the contribution of the Centre to the achievement of the ILO's outcomes was incorporated in the ILO's measurements of results, it was necessary for the Centre to be associated with, and contribute to, the shaping of the new Strategic Policy Framework of the ILO. She supported the organization of knowledge fairs as they would represent further engagement with the future Research Department of the ILO, and noted that the Centre was an asset in disseminating knowledge in relation to the work of the ILO. She expressed appreciation for the continuing efforts to streamline inter-office administrative processes between the ILO and the Centre and urged further exploration of that avenue.
74. *The representative of the Government of Germany* expressed satisfaction with the information provided on staff costs and urged the Centre to continue to provide information of that kind in order to review its evolution over time. In future, the document should better link the programme and the results-based framework with the budget. He supported the approach of the new indicator 3.2 but sought clarification on an apparent discrepancy in the calculation of total management and administrative costs for 2014 as they appeared in different parts of the document. There should be a closer link between Parts 1 and 2 of the document and greater consistency in the data provided; otherwise it was difficult to understand what was being proposed for adoption.

- 75.** *The representative of the Government of the Netherlands* requested clarification on the steep rise in the budget allocation to internal audit and legal services. Furthermore, some targets and indicators had been changed and those should be mentioned in the decision point so that the Board could formally accept them.
- 76.** *The representative of the Government of China* remarked that the participation rate for the Asia and the Pacific region had gone down and urged the Centre to increase that share, in view of the population and demands of that region.
- 77.** *The UNDP representative* drew attention to the International Day for the Eradication of Poverty and the importance of levelling the playing field so that no citizens were excluded from opportunities to seek or achieve decent work. That would require solutions which went to the very heart of the Centre's *raison d'être*.
- 78.** *The Director* clarified that the Board was being asked to approve not only the budget but also the programme in terms of the targets and indicators. Approval of the document as a whole would mean approval of the proposed changes in indicators and in targets. She agreed that there could be better integration of the programme (Part 1) and the budget (Part 2) and that in the future the interrelationship between them should be made clearer.
- 79.** The new indicator 3.2 was proposed because the previous indicator was flawed and could not provide the Board with the relevant information. It measured administrative and support costs as a percentage of total staff costs. The first problem was that administrative costs were not just staff costs; a substantial portion of administrative costs were dedicated to maintenance, IT and other areas which the indicator did not take into account. The second problem was that, when the Centre increased its activities, total staff costs increased as additional staff were taken on to support the training activities. In that situation, even if the Centre were not reducing its administrative costs, according to the previous indicator administrative costs would decline, thus giving a misleading impression.
- 80.** The reformulated indicator 3.2 was designed to capture and measure overall management and administrative support costs, including staff costs, compared to total expenditure. That would make possible the measurement of efficiency gains in administrative and support costs and enable the trend to be tracked over time. The new formulation was in line with the standard measurement of administrative overheads as a percentage of total expenditure and also reflected the information requested not just by the Board but also by donors.
- 81.** With regard to the issue of the new framework for collaboration with PARDEV, she explained that, under the framework, the Centre would be systematically invited to meetings with development partners and provided with opportunities to present the Centre's programme, project proposals and other relevant information to development partners and donors. In relation to the target of three new donors in 2014, the Centre did not have specific donors in mind at the current point; preliminary discussions were under way and the Centre was confident of its ability to meet the target. As for the legal and internal audit services, the Centre was required by the ILO to provide for those in the budget but the ILO had not charged for those services in 2013. In relation to the indicator on participant satisfaction, she acknowledged that the low return of evaluation questionnaires meant that the data were not sufficiently reliable and said that the matter would be examined in terms of methodology and follow-up. Lastly, taking note of the request from the representative of the Government of China, the Centre would work closely with the Regional Office to encourage higher participation from the Asia and the Pacific region.

82. *The Treasurer, Ms Dungca*, said that, when indicator 3.2 had been formulated in 2010, the baseline had been 37 per cent and the 2015 target set at 25 per cent. To date, the Centre had reduced administrative and support staff costs from 37 per cent to 35 per cent in 2012; the budget estimates for 2014 were expected to show a ratio of 34 per cent. In nominal terms, the Centre had already realized some savings. However, the staff costs budget line had the least flexibility and the staff savings were mostly linked to staff retirements. To meet the original target, staff costs would have to be reduced by €2.1 million by 2014 and the indicator of 25 per cent was therefore not feasible.
83. Responding to the Employer Vice-Chairperson and the representative of the Government of Germany, she said that the figures set out in Appendix II of the report accounted for the differences noted but that the document did not contain a very detailed breakdown. In relation to the request for an explanation of the increase in general operating expenses, the most significant element was non-depreciable materials, purchases that had been deferred from 2012 and were now scheduled for 2014, including the acquisition of furniture for the new Europe Pavilion, estimated at about €200,000. Most operating costs, such as meal services, transport costs, books and publications, were in fact declining.
84. *The Chairperson* proposed that the programme and budget proposals should be adopted on the understanding that management would hold further consultations with the Officers of the Board to come to a resolution of the issues relating to the proposed new indicator 3.2.
85. *The Board approved the Programme and Budget proposals for 2014 as submitted, on the understanding that, in relation to indicator 3.2, the management of the Centre would hold further consultations with the Officers of the Board.*
86. Further to consultations with the Officers of the Board, it was agreed to maintain indicator 3.2 as originally formulated and to add the proposed new indicator. It was also agreed that a more detailed explanation of the methodology and data used for each indicator would be included in the next programme and budget proposals. The Officers also requested that the observations and comments made during the discussion on other aspects of the proposals should be taken into account in the preparation of the next programme and budget.

## V. Audit questions (Fifth item on the agenda)

### A. Financial statements and External Auditor's report for the financial year 1 January–31 December 2012

87. *The Treasurer* presented the document and reviewed the essential points.<sup>5</sup> She stated that the Centre's financial statements had again been approved unreservedly and that they had been prepared on the basis of the IPSAS standards. She described the various fund balances and provided a breakdown of ILO contributions to the Centre in 2012. She explained that the budgetary surplus achieved in 2012 was due to a mix of favourable and unfavourable factors, including increased contributions and earned income, the reintroduction of Italy's voluntary contribution and a reduction in staff costs. The provisions for bad debts and currency losses were the remaining factors explaining the budgetary variance.

<sup>5</sup> CC 75/5/1.

88. *The Employer Vice-Chairperson* stated that his group had no particular comments to make on the financial statements.
89. *The Worker Vice-Chairperson* expressed his group's approval of the document and requested clarification as to the interpretation of the figures in the table reconciling Statement V and Statement II.
90. *The Government Vice-Chairperson* sought clarification as to the Board members who were entitled to the reimbursement of expenses referred to in Note 1.
91. *The Director* responded that, in accordance with the practice of the ILO Governing Body, only the Worker and Employer members were entitled to reimbursement of costs, and said that the relevant note would be amended in the next version of the financial statements.
92. *The Treasurer* explained that Statement V referred only to the General Fund and the Italian Trust Fund, and that Statement II referred to all funds managed by the Centre.
93. *The representative of the External Auditor, Ms McMahon*, presented the External Auditor's report. She summarized the contents of the report, which unreservedly approved the financial statements for 2012. She said that the financial statements were an objective representative of the Centre's financial position, financial performance and cash flow. In addition, the Centre's transactions which had come to the External Auditor's attention were in accordance with the Financial Regulations and legislative authority of the Centre. She congratulated the Centre on having fully applied the IPSAS standards, and thanked the Director and her team for their cooperation during the audit process.

## **B. External audit plan for the 2013 financial statements**

94. *The representative of the External Auditor* introduced the document containing the audit plan for 2013.<sup>6</sup> The plan provided information on the mandate and objectives of the audit, the documents to be drafted and the responsibilities of all parties. She explained that the external audit was risk-based and focused on the areas in which there was a greater risk of significant anomalies or non-compliance with regulations. The audit plan for 2013 listed four risks: the current economic situation, which entailed a reduction in the funding from traditional sources; the adoption of three new IPSAS standards; the Centre's current procedures and mechanisms for recording contract revenue; and the estimates needed to prepare financial statements. Consequently, the audit would examine the reasonableness of the hypotheses that the leadership of the Centre was planning to use to make those estimates, as well as the accuracy of the data used to formulate those hypotheses. She said that the leadership of the Centre should keep abreast of any changes arising from the new IPSAS standards and, if necessary, determine their impact on financial statements and information systems.
95. *The Board approved the financial statements and the report of the External Auditor for the financial year from 1 January to 31 December 2012 and took note of the audit plan for 2013.*

<sup>6</sup> CC 75/5/2.

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**C. Report of the Chief Internal Auditor for the year ended 31 December 2012**

96. *The representative of the Office of Internal Audit and Oversight of the ILO (IAO), Mr Watson, introduced the report of the Chief Internal Auditor.*<sup>7</sup> He explained that, in 2012, two audits had been carried out and that an investigation report had been submitted on a number of outstanding debts related to various training activities. The investigation had revealed that several concomitant factors had led to the accumulation of debts and that it was highly unlikely that the Centre would be able to recover them. He summarized the causes that had led to that situation: the complexity of the contractual provisions; the ambiguity regarding the roles and responsibilities in managing contracts and recovering outstanding sums of money; the poor communication between the technical programmes concerned and the financial services; and the ineffective follow-up of outstanding debts.
97. The first audit concerned the pricing of training activities and the second the sharing of campus costs. The audits had been carried out by an independent consultancy firm based on a contract signed by the IAO. With regard to the first audit, he said that the current policy for pricing the activities had been judged to be satisfactory but that ways of improving the calculation model had also been identified. Such improvements would allow for the collection of detailed information that would serve as a basis for assessing contributions to the fixed costs of each activity. The second audit on sharing costs with the two other UN institutions on campus had concluded that it was necessary to review the method used in order to achieve greater coherence and equity in cost distribution.
98. *The Employer and Worker Vice-Chairpersons* said that they did not have any particular comments to make on the report of the Chief Internal Auditor.
99. *The Government Vice-Chairperson* said that the explanation for the accumulation of debts was very succinct and asked why it was highly unlikely that the Centre would ever recover them.
100. *The representative of the IAO* said that the main reason for the accumulation of debts was the incumbent leadership's failure to act.
101. *The Director* said that the debts were linked to three entities, two of which had contested the amounts owed or had declared themselves incapable of honouring their commitments. A solution had been sought but none had been found, and the debts in question had been assumed as profits and losses. The other debt concerned the Ministry of Labour of Spain, a loyal and long-standing partner of the Centre. The Centre's leadership was currently in talks with that partner with a view to securing the payment of the initial amount in full.
102. *The Board took note of the document.*

**D. Follow-up to the recommendations of the Chief Internal Auditor for the year ended 31 December 2012**

103. *The Board took note of the document.*<sup>8</sup>

<sup>7</sup> CC 75/5/3.

<sup>8</sup> CC 75/5/4.

## VI. Human resources questions (Sixth item on the agenda)

104. *The Director of Human Resources Services of the Centre, Mr Villemonteix*, introduced the document, which contained the recommendations of the ICSC. He requested the Board to authorize the Director to give effect to those recommendations at the Centre, and to take note of the exception approved by the Director to the Staff Regulations.<sup>9</sup>
105. *The Worker Vice-Chairperson* requested that the measures adopted at the Centre to reflect the increase in the mandatory age of separation upon retirement be aligned with those adopted by the ILO.
106. *The Employer Vice-Chairperson* said that his group supported the point for decision contained in the document.
107. *The Government Vice-Chairperson* said that she had no comments to make on that matter.
108. *The Government representative of Germany* asked whether interim regulations had been established concerning the mandatory age of separation upon retirement for current staff members.
109. *The Director of Human Resources Services* explained that the regulations would apply to new staff members from January 2014 and that the question was still under examination for those already on board. The ICSC would submit recommendations to the UN General Assembly and each organization in the common system would have to adopt a position on the recommendation of the General Assembly.
110. *The Director* recalled that the Centre and the ILO were two distinct entities, each with different Staff Regulations, and that a decision needed to be taken now. However, the Centre was working closely with the Office on that matter.
111. *The Board approved the point for decision contained in paragraph 10 of document CC 75/6.*
112. *The Chairperson*, following the normal procedure, invited the Chairperson of the Staff Union Committee to make a statement to the Board (see the appendix to the present report).

## VII. Administrative questions (Seventh item on the agenda)

113. *The Deputy Director of the Centre, Mr Arrigotti*, introduced the document.<sup>10</sup> He underscored the importance of the Centre having a good-quality infrastructure. He recalled the various stages of the project, from identifying the need to renovate the Europe Pavilion to the launch of the works, which was imminent, and the contact with the local private foundations that were helping to fund it. However, the renovation of the Europe Pavilion was merely the most visible of the initiatives being undertaken by the internal

<sup>9</sup> CC 75/6.

<sup>10</sup> CC 75/7.

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administration of the Centre, as the improvement of the campus required continuous financial and human investment.

**114.** *The Employer, Worker and Government Vice-Chairpersons* said that they had nothing to add.

**115.** *The Board took note of the document.*

### **VIII. Reports of the Trade Union Training Committee and the Employers' Training Committee (Eighth item on the agenda)**

**116.** *The Worker Vice-Chairperson* introduced the report of the Trade Union Training Committee.<sup>11</sup> He expressed his appreciation and support for the statement made by the President of the Staff Union Committee and asked for this statement to be made earlier on in the deliberations of the Board the next time so as to inform its discussions.

**117.** He underlined the paramount importance of education and training for trade union organizations and welcomed the efforts aimed at a permanent improvement in the quality of training activities. On behalf of the Workers' group, he thanked all the staff of the Workers' Programme for their hard work to implement the workers' activities in a situation that continued to be marked by the consequences of funding difficulties and the unpredictability of resources.

**118.** *The Employer Vice-Chairperson* introduced the report of the Employers' Training Committee.<sup>12</sup> He commended the Employers' Programme on its work and outputs and expressed his appreciation for the development of new innovative training materials and products, including the development of new high-level capacity-building projects. He underlined the need for a meaningful volume of activities in order for the programme to remain of high relevance and quality. He also thanked the Centre for its efforts and investment in the employers' constituency, which provided a direct return in many forms. He emphasized once again that employers would like to be in the driving seat in developing activities related to corporate social responsibility. The Employers' Programme should be the main entry point for companies and for collaboration with national employers' organizations. That should be reflected in the delivery of training for companies at the Centre.

**119.** *The Board took note of both documents.*

<sup>11</sup> CC 75/8/a.

<sup>12</sup> CC 75/8/b.

## **IX. Date and place of the next session** (Ninth item on the agenda)

120. *The Chairperson* proposed that the 76th Session of the Board of the Centre be held just before the 322nd Session of the Governing Body of the ILO, which would be held in Geneva from 30 October to 13 November 2014. The exact date would be communicated to members.
121. *The Board approved the Chairperson's proposal.*

## **X. Other questions**

### **Delegation of authority to finalize the report of the Board**

122. *The Chairperson* informed the members of the Board that the report of the 75th Session of the Board would be considered in the Institutional Section of the 319th Session of the Governing Body. He proposed that, in order to facilitate the preparation and finalization of the report, the Board should delegate the task of approving the draft report to its Chairperson and Vice-Chairpersons.
123. *The Board approved the Chairperson's proposal.*

## **XI. Closure of the session**

124. *The representative of the UNDP* said that he wished to make a final intervention. Much had been said about the mobilization of resources, funders, contributions, agreements and partnerships. In his opinion, that discussion was obsolete. What the Centre needed was a change of paradigm and to assume the role of a real provider of training and capacity-building services that aimed to improve the governance of assets and public services. He was greatly surprised by the incredibly low amount that the Centre had earmarked for the promotion of its services in 2012. He was also surprised that the Centre had not decided to allocate part of the surplus to that end. The Centre was in grave danger of failing to reach the public, which was in great need of competencies that only the Centre could provide in order to face the challenges of today and tomorrow. Therefore, the Centre was also in danger of losing its reason for being.
125. *The Worker Vice-Chairperson* said that items that were not on the agenda should not be discussed.
126. *The Chairperson* thanked the participants for their contribution and closed the 75th Session of the Board.

Turin, 18 October 2013

## Appendix

### **Statement by the representative of the Staff Union Committee to the Board of the Centre (18 October 2013)**

Mr Director-General, Mr Chairperson, distinguished members of the Board and dear colleagues,

We are happy for the opportunity given to the Staff Union Committee to express its views and concerns on behalf of the staff. We propose that in future years the address from the Staff Union is not left to the end of the Board session, giving the possibility to the members of the Board to question the Staff Union Committee should they wish to do so. We would like this occasion to be something more than just a boring speech. We want to transmit to the members of the Board our sincere availability to discuss with them in the future any issue at any time. Please feel free to contact our Secretary should you wish to do so.

First of all, we are glad for the presence of Mr Guy Ryder, “our” Director-General. He has stood by his promise and has attended this Board. This has not happened for many years and it is a step full of meaning for everybody and proof of a support that the Centre needs, believes to deserve and is grateful for.

We know that making “One ILO” is not an easy immediate task. The Staff Union will keep on collaborating and pushing for further cooperation with Geneva, being conscious that we are two different realities. Some steps have already been taken, but we are all aware that a long road still has to be completed.

Turin must not be considered any longer as something that is “the ILO but not really the ILO” and our officers (your officers!) would be grateful if they could feel part of a single team within the Office and the rest of the Organization, taking into consideration the specific aspects that have made of the ITC–ILO a centre of excellence unique within the United Nations.

The Staff Union Committee has to echo the uneasiness of many members of the staff with what is perceived as an increasingly formal and administrative approach of the management of the Centre in contrast with the up to recently enjoyed flexibility, badly needed to better deliver our training activities.

Another concern of the Staff of the Centre are “rules and interpretations”. It is felt that, while an increasing number of rules and regulations are being put in place and management insists on following the rules, not properly explained exceptions are authorized. This generates perplexity.

We are convinced that management and staff share the same aim (the well-being of the Centre), with obviously different points of view, and that a mutually respectful relationship is the best approach to attain our goals.

However, as confirmed by an internal stress survey, we cannot ignore the growing level of stress at the Centre and severe problems of relations between supervisors and subordinates. The career of an officer depends not so much on his/her performance as in the goodwill of the supervisor and this may cause unacceptable frustration in total contradiction with the mandate of the ILO.

Staff knows that working at the ITC–ILO is a privilege and is proud of it, putting long hours and a great dedication to its work. Nevertheless, it should be acknowledged that problems exist, that recognition for dedication and work accomplished does not always happen and that a climate of “resignation” looms in Turin.

Other organizations of the UN system have set up a mechanism by which not only the officers are appraised by their supervisors but also the staff can express the perception they have of supervisors, management and the goals of the organization. Willingness to put a similar system in place would demonstrate a commitment from management to accept constructive critic and improve social dialogue.

The Staff Union Committee is confident that, taking into consideration the promising situation of the Centre presented by management, the heavy workload existing and the challenges that we will have to face in the near future, all existing project-based contracts will be renovated as previously anticipated by the Director.

We should also bear in mind that a continuous investment in training resources is required to guarantee the long-term survival of the Centre and the proper fulfilment of its mandate.

It is no longer, as the Director-General pointed out, a question of “doing more with less” but rather of management obtaining additional resources to better deliver our services to our constituents.

Last but not least, in these moments of generalized crisis and widespread attacks to the international public function and to collective bargaining, it is a must to admit that social dialogue and the tripartite model have proved to be right solutions. We trust that the ILO will keep on defending and promoting them on all forums and are grateful for it.

It would not be fair to complete this declaration on behalf of the staff without making a special mention to a member of the management, the former Chief of Training, Mr Graziosi. His dedication, capacity and professionalism, altogether with the achievements he brought, have deserved a special gratitude from the staff.

And at the same time we warmly welcome the new Chief of Training, Mr Klemmer. We are confident that his experience and professionalism will be assets for the Centre.

Thank you and looking forward to your support.