



## Governing Body

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**Policy Development Section**  
*Technical Cooperation Segment*

**POL**

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### SEVENTH ITEM ON THE AGENDA

## Regional perspectives on technical cooperation: Europe and Central Asia

#### Purpose of the document

The Governing Body is invited to request the Office, in line with the Oslo Declaration (GB.319/INS/6, Appendix I) and in view of the need to expand the ILO's technical cooperation programme in Europe and Central Asia accordingly, to develop a strategy to mobilize an adequate amount of voluntary funding for the region as a contribution to the review by the Governing Body of the ILO's technical cooperation strategy at its 322nd Session (November 2014).

**Relevant strategic objective:** Governance, support and management (Outcome 1: Effective and efficient utilization of all ILO resources).

**Policy implications:** None.

**Legal implications:** None.

**Financial implications:** None.

**Follow-up action required:** A proposal will be developed for a strategy to mobilize technical cooperation resources for Europe and Central Asia.

**Author unit:** Regional Office for Europe and Central Asia (EUROPE).

**Related documents:** GB.319/PV/Draft, para. 147; GB.319/INS/6, Appendix I; GB.319/INS/6/1.

## I. Introduction

1. The European and Central Asian region is diverse, comprising 51 countries, of which 28 are Member States of the European Union (EU). About half of the EU Member States are traditional technical cooperation donors, as are the economically advanced countries in the region that are not EU Member States. In contrast, 18 countries and territories are on the OECD's list of recipients of Official Development Assistance (ODA).

**Table 1. List of ODA recipients in Europe and Central Asia (based on OECD data)**

<b>Other low income countries</b> (per capita GNI ≤ \$1 005 in 2010)	<b>Lower middle-income countries and territories</b> (per capita GNI \$1 006–\$3 975 in 2010)	<b>Upper middle-income countries and territories</b> (per capita GNI \$3 976–\$12 275 in 2010)
Kyrgyzstan	Armenia	Albania
Tajikistan	Georgia	Azerbaijan
	Kosovo <sup>1</sup>	Belarus
	Republic of Moldova	Bosnia and Herzegovina
	Turkmenistan	The former Yugoslav Republic of Macedonia
	Ukraine	Kazakhstan
	Uzbekistan	Montenegro
		Serbia
		Turkey

<sup>1</sup> As defined in United Nations Security Council Resolution No. 1244 of 1999.

2. During the period covered by this paper (2003–13), the economic, social and political context in the region changed dramatically, which has had an enormous impact on demands from constituents, and therefore on the focus of ILO technical cooperation in the region.
3. The enlargement of the EU towards the East (to the EU-25 in 2004, the EU-27 in 2007 and the EU-28 in 2013) led to a redirection of ILO policy advice and technical assistance to South-Eastern Europe, Eastern Europe, the Caucasus and Central Asia. The priorities of South-Eastern European countries have been shaped by their prospects of joining the EU, and the ILO has provided assistance for the improvement of their institutional and policy framework with a view to facilitating their accession to the EU. Several Eastern European and Caucasus countries have requested ILO assistance to adapt their national institutions and policies gradually to ILO and EU standards. Other Eastern European and Central Asian countries are calling on the ILO for support to improve employment and social policies with a view to the further development of their national economies and labour markets.
4. More recently, the financial and economic crisis, and its negative impact on the labour market and social situation in the region, has triggered an intensification of the Office's assistance to the countries concerned. While some countries are successfully recovering from the crisis, with stable or improving labour markets, the most severely affected countries, many of them with advanced economies, have seen unemployment rise to unprecedented levels, particularly for youth, and the ILO has also been supporting them with a view to the formulation of effective employment and social policies.
5. The EU regional integration process continues to play a major role in the region, and has brought opportunities, such as the development of the ILO–EU partnership both outside and within the EU. At the same time, the Russian Federation, some potential new EU Member States and other countries, including Turkey, are emerging as new donors

with a desire to broaden partnerships and embark on “East–East” or “South–South” cooperation with the ILO in the region.

6. All these processes and changes are dictating the demand from constituents in the region for ILO services. Many issues have remained priorities throughout the period, although the crisis has accentuated their importance, as reflected in the Oslo Declaration adopted by the Ninth European Regional Meeting in April 2013. Key issues include: the promotion of decent employment and job creation, particularly for youth; the promotion of enterprise sustainability, particularly for SMEs; support for innovative technologies and the green economy, and addressing skill mismatches in the labour market; the ratification and implementation of international labour standards; the promotion of social dialogue and sound industrial relations; better regulation of labour migration and the protection of migrants’ rights; the promotion of adequate and sustainable social protection systems, and the improvement of working conditions; and the elimination of child labour.
7. Access to technical cooperation funding is crucial to be able to respond to the demands of constituents.

## II. Trends in technical cooperation in the region (2003–13)

8. Over the period 2003–13, in terms of the expenditure of Extra-budgetary Technical Cooperation (XBTC) resources, the ILO’s technical cooperation portfolio in Europe and Central Asia has fluctuated, with a marginal total increase from US\$7.8 to US\$8.7 million (see table 2). The peak was US\$12.2 million in 2007. However, the region’s share of total XBTC expenditure fell from 6.5 to 3.9 per cent between 2003 and 2013. This confirms a trend of the increased difficulty of mobilizing resources for the region, stemming mainly from the perception that it is composed of donor rather than recipient countries, despite the fact that over one in three countries in the region is eligible for ODA and that it has been the region most severely affected by the crisis.

**Table 2. XBTC expenditure 2003–13** (in US\$ thousands, excluding administrative expenditure)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013 *
Europe and Central Asia	7 808	6 917	10 340	11 727	12 195	9 522	11 420	10 424	8 273	8 847	8 734
<b>Total</b>	<b>119 681</b>	<b>129 246</b>	<b>154 400</b>	<b>161 432</b>	<b>169 294</b>	<b>184 765</b>	<b>193 509</b>	<b>220 275</b>	<b>206 722</b>	<b>218 210</b>	<b>224 560</b>
Share of total ILO XBTC (%)	6.5	5.3	6.7	7.3	7.2	5.2	5.9	4.7	4.0	4.1	3.9

\* Preliminary data.

9. According to preliminary data (see table 3), between 2003 and 2013, total XBTC approvals for the region amounted to US\$120 million. Just under one third of this total (US\$36 million) is from the European Commission (EC), and approximately half from 11 donor governments. On average, over the full period, the top five donors have been the EC, Finland, United States, United Nations and Germany. The increasing scarcity of technical cooperation resources has prompted the ILO to strengthen the impact and leverage of its technical cooperation assistance by working in strategic partnerships with governments, and also with institutions, and primarily the EC. In terms of the strategic partnership with the EC, the ILO Office in Brussels has greatly facilitated the mobilization of resources for the region, and for the ILO as a whole. However, as the EC has decentralized a substantial amount of decision-making on funding to the country level, the

ILO has also had to focus increasingly on mobilizing resources at the country level. Nevertheless, this is time-consuming and requires a substantial investment of human and financial resources, which could undermine the delivery of technical assistance.

**Table 3. Major ILO development partners for Europe and Central Asia, 2003–13**  
(XBTC approvals in US\$ thousands)

Development partner	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013 *	Total 2003–13 *
European Commission	428	1 297	6 541	3 427	3 790	7 811	477	2 018	7 197	1 390	1 566	35 941
Finland	–	237	347	518	640	976	289	5 398	–	–	5 400	13 805
United States	5 200	2 500	–	3 500	–	–	–	–	–	–	2 000	13 200
UN system	583	299	367	0	1 207	1 693	2 869	1 441	719	60	653	9 892
Germany	50	41	2 037	–	410	1 603	389	1 702	–	1 663	1 005	8 901
Public–private partnerships	–	–	120	51	–	79	64	31	35	6 000	261	6 640
Netherlands	1 071	–	–	3 000	–	–	–	–	313	117	389	4 889
France	1 440	674	636	438	258	189	177	778	–	–	–	4 589
Sweden	–	–	516	–	–	–	–	–	–	–	3 922	4 438
Italy	833	–	265	810	1 200	–	237	–	–	–	–	3 345
Flanders	558	232	497	605	–	680	–	–	–	–	–	2 571
Austria	150	–	–	–	–	2 269	–	–	–	–	–	2 419
Russian Federation	–	–	–	–	–	–	–	–	–	2 340	–	2 340
Ireland	662	–	–	870	743	–	–	–	–	–	–	2 275
Domestic Development Funding	98	10	–	362	44	–	–	372	–	–	320	1 207
Other**	314	547	75	433	564	397	194	248	406	323	79	3 581
<b>Total</b>	<b>11 387</b>	<b>5 837</b>	<b>11 402</b>	<b>14 013</b>	<b>8 858</b>	<b>15 698</b>	<b>4 694</b>	<b>11 988</b>	<b>8 669</b>	<b>11 892</b>	<b>15 595</b>	<b>120 032</b>

\* Preliminary data. \*\* Other includes contributions from the Arab Gulf Program for Development (AGFUND), Belgium, Czech Republic, Canada, German Confederation of Trade Unions (DGB), International Organization for Migration (IOM), Luxembourg, Organization for Security and Co-operation in Europe (OSCE), Poland, Republic of Korea, Romania, Spain, Switzerland and United Kingdom, of which the total for 2003–13 is less than US\$1 million.

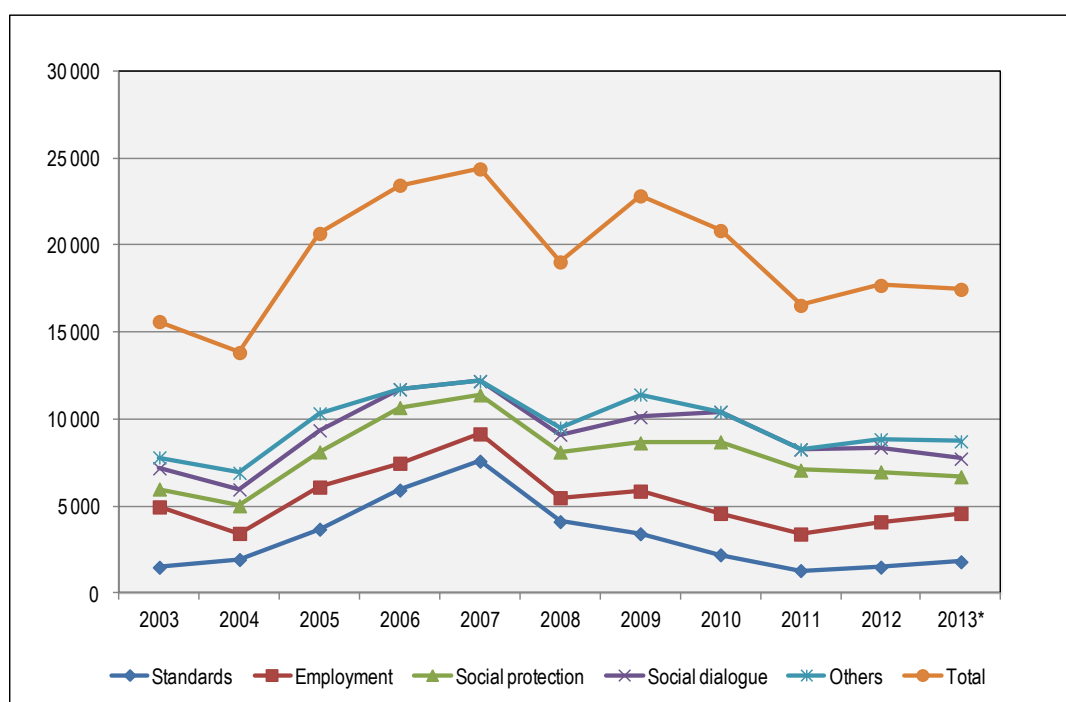
**10.** Delivery rates in the region have averaged 74.5 per cent for the period 2003–13 (see table 4), which is the highest for all regions.

**Table 4. XBTC approvals and delivery rates, 2003–13** (in US\$ thousands, excluding the Regular Budget Supplementary Account (RBSA))

Europe and Central Asia	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013*
Approvals delivery	11 387	5 837	11 402	14 013	8 858	15 698	4 694	11 988	8 669	11 892	10 195
Delivery rate (%)	82.9	70.9	76.9	74.2	68.2	66.1	67.8	81.9	72.1	82.7	75.6

\* Preliminary data.

- 11.** In terms of the strategic objectives (see figure 1), expenditure for social protection almost tripled during the period 2003–12, while it fluctuated significantly for other objectives: after a significant rise up to 2007, expenditure on standards returned to its 2003 level; expenditure for social dialogue increased slightly over the whole period; but it fell sharply for employment in 2004, and has since gradually recovered, while remaining well below its 2003 level.<sup>1</sup>

**Figure 1. XBTC expenditure by strategic objective in Europe and Central Asia, 2003–13** (in US\$ thousands, excluding administrative expenditure)

\* Preliminary data.

- 12.** Technical cooperation in the region is also funded through regular budget technical cooperation (RBTC) resources and RBSA. Europe and Central Asia has consistently been the region with the smallest share of total RBTC funds (only increasing slightly from 2.8 to 3 per cent between 2003 and 2012). Since the launch of RBSA in 2008, many development partners have appreciated the flexibility with which resources have been mobilized to support the ILO's capacity and to respond to urgent priorities in the region. RBSA, which

<sup>1</sup> For further details please also see Annex II which gives details of XBTC expenditure by outcome for 2012–13.

is allocated for ODA-eligible countries, has been extremely helpful in allowing the ILO to prioritize work that does not always attract other types of funding. For example, Europe and Central Asia received US\$2.3 million (6.6 per cent of total RBSA funds) during the biennium 2010–11, of which 28 per cent was allocated for social dialogue, which was the strategic objective with the lowest XBTC expenditure (16 per cent). The different funding streams for technical cooperation have become increasingly integrated, with the effect that regular budget, XBTC, RBTC and RBSA resources all contribute to achieving results based on the priorities identified in the Decent Work Country Programmes (DWCPs) and the 19 outcomes set out in the Strategic Policy Framework 2010–15. Although the region continues to focus its resources on a limited number of these priorities, demand outweighs resource limitations, even only taking into account countries with DWCPs.

13. In addition, and in line with the ILO's wider resource mobilization strategy, there has been a focus on developing public–private partnerships (PPPs), with the signature of several partnership agreements (see section IV below). Although resource mobilization through PPPs is growing, it is still a relatively small area in terms of overall development assistance funding (3.4 per cent of total XBTC in 2008–11, according to PARDEV). The region has the potential for further resource mobilization through PPPs.
14. The ILO also works with other United Nations agencies as part of the One UN process. At the end of the first decade of the 2000s, the ILO played a leading role in United Nations projects in Albania, Serbia and Turkey, which were financed by Spain through the MDG Achievement Fund and focused on youth employment and migration. The ILO participates in the relevant thematic groups within the United Nations Development Assistance Frameworks (UNDAFs), and has received funding from Delivering as One (DaO) funds (or One UN funds) in Albania and Kyrgyzstan. Although funding from the United Nations system has fallen since 2009, it remains a key partner over the period as a whole.
15. The ILO's activities in the region are further enhanced by the ILO International Training Centre (ITC–ILO) in Turin, which provides institutional capacity building and competence development programmes on all topics within the ILO's mandate and of priority to constituents. This is done through tailor-made face-to-face training at the campus in Turin, or in countries, as well as online learning and, increasingly, a blend of different modalities, within the scope of DWCPs.
16. The overarching objective of ILO assistance to any country in the region is to anchor firmly decent work as a national goal and to contribute to its realization through DWCPs, where they exist.<sup>2</sup> DWCPs and other cooperation agreements (for example, with the Russian Federation) have therefore become the main tool for ILO cooperation with constituents at the country level. DWCP priorities and outcomes are set in close collaboration with the tripartite national constituency in support of national development strategies. DWCPs are also proving to be an effective tool for resource mobilization at all levels. However, substantial efforts are still required to attract donor interest and funding for specific areas covered by DWCPs, such as social dialogue, international labour standards, labour legislation and social security, and also for certain countries, as technical cooperation funding is distributed unequally.

<sup>2</sup> DWCPs (their second or even third rounds) are currently being implemented in eight countries (Albania, Armenia, Azerbaijan, Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia, Republic of Moldova, Serbia and Ukraine) and are under revision in Kazakhstan, Kyrgyzstan and Tajikistan.

### **III. Results achieved – Some examples**

#### **Promoting decent employment, particularly for youth**

- 17.** In Serbia, the ILO has worked with the Ministries of the Economy and Regional Development, Labour and Social Policy, and the social partners for: the development and implementation of the National Youth Employment Policy and Action Plan; the establishment of the Youth Employment Fund; the development of evidence-based youth-specific employment policy objectives and targets; the integration of labour market, migration and social services; and the provision of capacity building to labour market institutions for the design, monitoring and evaluation of targeted youth employment programmes and the management of the Fund. Government monitoring data show that, among young beneficiaries who have found employment, as many as 85 per cent have entered full-time employment, and 62 per cent use the skills acquired through on-the-job training.
- 18.** At the end of 2011, a National Youth Employment Action Plan was adopted in Turkey, with work continuing in 2012 for its implementation. Within the framework of the United Nations Joint Programme on Youth Employment and Migration, the ILO Ankara Office assisted the Turkish Employment Agency (ISKUR) through a range of activities to enhance the capacity of its job counselling system, and also helped design and develop pilot entrepreneurship training courses to provide young people with effective entrepreneurship skills and knowledge.
- 19.** With ILO assistance, an analysis of the youth labour market was carried out in the Russian Federation at both the federal level and in North Caucasus, the region with the highest youth unemployment rate. Based on this analysis, apprenticeships have become part of national curricula in secondary vocational education, as reflected in the Statute on Apprenticeship that entered into force in September 2013. As a follow-up, Know About Business (KAB) and Start and Improve Your Business (SIYB) programmes, adapted for young people, were launched in North Caucasus, and were also successfully used in countries such as Armenia, Azerbaijan, Georgia and Kyrgyzstan to stimulate youth entrepreneurship.
- 20.** The ILO has provided assistance, more recently also in collaboration with UNDP, to the Government of Ukraine for the implementation of employment-oriented modular vocational training programmes, particularly for the unemployed. The project has been instrumental in introducing innovative approaches to vocational training and improving training delivery across the country through the development of new training curricula based on both vocational skills and core skills for employability. The project's results include the training of 300 national specialists in the development of modular training materials and the establishment of regional modular training centres in 27 regions, which are continuing to function successfully with State funding. At the close of the project, 40,000 trainees were estimated to have benefited from related training programmes, with their number much increased since then.

#### **Modernizing labour legislation and strengthening social dialogue**

- 21.** In the Ukraine, the ILO provided intensive longer-term technical support for the drafting of the new Labour Code and social dialogue legislation, intended to reflect and regulate the labour market transformation since 1990 and to reinforce tripartism and democratic

decision-making. Although political changes caused substantial delays to both legislative texts, the new Law on Social Dialogue was enacted in July 2011.

22. With ILO support, nine countries in the region have established or strengthened collective bargaining institutions and dispute resolution mechanisms. In a difficult political situation, the Tripartite Social Partnership Commission was established with ILO assistance in Georgia, and the ILO is now cooperating closely with the new Government and the social partners to improve national labour legislation. Capacity building is regularly provided across the region for the social partners to enable them to engage meaningfully in collective bargaining and in the formulation and implementation of employment and social policies.
23. The ILO regularly responds to requests for advice on international labour standards and possible changes in national labour legislation from numerous countries in the region, and most recently from Portugal, Romania and Slovakia.

### **Combating child labour**

24. In Turkey, the ILO supported the implementation of the national programme framework for the elimination of child labour by addressing the main causes of child labour and providing direct assistance to targeted children and families. Some 25,000 children were either withdrawn or prevented from working in seasonal commercial agriculture, street trading and furniture manufacturing, and were placed in educational or rehabilitation programmes. Children in 20 provinces received services, such as counselling, medical screening and treatment, non-formal education and recreational activities. Social support centres were established and have continued operating after the phasing out of ILO support. Replicable models were developed to link micro-level activities and macro-level policy-making to ensure regular information gathering and the dissemination of data, experience and the lessons learned to both local and national authorities.
25. Several projects contributed to the withdrawal of children from exploitative work or the prevention of such work in Albania, Bulgaria, Kosovo,<sup>3</sup> Republic of Moldova, Russian Federation and Ukraine. For example, in the Russian Federation (St Petersburg), this was achieved by providing education to over 12,000 children and vocational training to nearly 90,000 families. In Kazakhstan, Kyrgyzstan and Tajikistan, the ILO supported the implementation of national action plans on the worst forms of child labour through a combination of policy-related interventions and service-oriented activities at the community level in areas with a high incidence of the most hazardous forms of child labour.

### **Improving conditions for labour migration**

26. Through several projects covering Albania, Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Republic of Moldova, Russian Federation, Tajikistan and Ukraine, the ILO assisted in the formulation of migration strategies, the improvement of national databases on migration, the development of practical methods to assess labour market requirements and the establishment of procedures for the regularization of migration. Support was provided through some projects to set up direct services for labour migrants, including new migration resource centres in Armenia. These projects also focused on the mobilization and capacity building of the social partners in the area of labour migration. Migration

<sup>3</sup> As defined by UN Security Council Resolution 1244.



legislation was modified in Albania and the Republic of Moldova, where a national action plan was adopted on the protection of migrant workers abroad. In addition, Albania, Armenia, Republic of Moldova and Tajikistan ratified the Migration for Employment Convention (Revised), 1949 (No. 97), and Albania, Armenia and Tajikistan ratified the Migrant Workers (Supplementary Provisions) Convention, 1975 (No. 143).

27. The Russian Federation is the main receiving country for the majority of migrant workers from Tajikistan, many of whom work in the construction industry, which is often unregulated. Within the framework of a labour migration project, unions of construction workers in the Russian Federation and Tajikistan joined forces to protect the rights of migrant workers. The measures that they took included developing their own strategies and policies, improving their capacity to organize migrant workers and raising the awareness of trade union leaders and activists. Three training centres were established in Tajikistan and have provided information and pre-departure consultations for migrant workers. By 2006, over 3,500 Tajik migrant workers had joined Russian trade unions.

### **Improving social protection and working conditions**

28. ILO assistance has contributed to the development of modern occupational safety and health (OSH) systems in the region. At the policy level, ILO legal and technical advice has supported the improvement of national OSH programmes and laws in Albania, Armenia, Kazakhstan, Kyrgyzstan, Republic of Moldova, Russian Federation, Tajikistan and Ukraine. It has also helped to strengthen the institutions needed to establish OSH preventive practices in enterprises, including more effective labour inspection services in all of these countries, as well as in Serbia and the former Yugoslav Republic of Macedonia. For example, in the Russian Federation, following the ratification of the Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187), and the Prevention of Major Industrial Accidents Convention, 1993 (No. 174), a modern definition of an OSH risk assessment and management system was included in the Labour Code and a systematic training programme has been established in all Russian regions. The Russian Federation also launched the Regional Alliance of Labour Inspectorates of the Commonwealth of Independent States and Mongolia.
29. The Work Improvement in Neighbourhood Development (WIND) programme, which is a practical tool to respond to safety and health problems in informal agriculture, has been taken up in Kyrgyzstan, Republic of Moldova and Tajikistan. In close collaboration with the social partners in Kyrgyzstan, the WIND methodology has been adopted for use by small-scale farmers. The Kyrgyz WIND programme has reached over 10,000 small farmers and has been incorporated into the local administration. Tripartite participation in WIND also contributed to the adoption of Kyrgyzstan's national OSH programme for agriculture in 2007. In Tajikistan, the WIND methodology was combined with the SIYB programme and other vocational training to provide support to the families of migrants for the establishment of small bee-keeping businesses.

## **IV. Prospects – Looking ahead**

30. Technical cooperation resources are indispensable to respond to the needs of constituents and to deliver support for decent work, in line with the Oslo Declaration, which sets out the strategic priorities for future ILO work in the region. However, as noted above, there are two challenges. The first is to mobilize technical cooperation resources in a region that is seen as largely consisting of donors, despite the fact that it contains 18 countries on the OECD ODA list. This is a particular challenge in the current context of the overall shrinkage of ODA. The second challenge is to respond to the needs of constituents through

a balanced and relevant programme that reflects all the dimensions of the Decent Work Agenda. At the Ninth European Regional Meeting in April 2013, constituents called for stronger engagement by the ILO in European and Central Asian countries, including Eurozone countries severely affected by the global economic crisis. However, appropriate structures and resources are needed for the ILO to respond effectively to requests from crisis-hit countries. It is crucial for these demands to be properly balanced with the technical cooperation that is being carried out in South-Eastern and Eastern Europe, Caucasus and Central Asia, where the demand for ILO services is also growing.

- 31.** In the Eurozone crisis countries, although the ILO has provided some assistance in Greece (on pension reform), Cyprus (to improve the actuarial capacities of social security systems) and Portugal (on youth employment), there is a demand from some constituents to scale up these interventions. To a certain extent, this is already happening. For example, at the request of the Labour Minister, a workplan has been established between the ILO and the Government of Cyprus covering: the development of a comprehensive youth action plan, including the design of a youth employment guarantee scheme; the implementation of sustainable social security reforms, including social impact assessments; the reform of labour inspection based on needs assessment and ILO recommendations; and the application of effective social dialogue in the crisis response. In Greece, the ILO is providing support to employers and workers with a view to rebuilding trust between the social partners and strengthening social dialogue mechanisms at the national and sectoral levels. Constituents have also requested ILO assistance in the areas of apprenticeship, labour inspection (focusing on undeclared work), the social economy and labour legislation to regulate collective dismissals and temporary employment. Technical assistance projects are currently being developed. A Senior Liaison Officer for Cyprus and Greece has been appointed on a temporary basis to coordinate this work. This rapid expansion of work (also in Portugal on the youth employment guarantee) presents certain challenges for the limited resources available and current ILO structures in the region.
- 32.** Although the challenges in terms of resource mobilization in the region are obvious, there are also opportunities. In this respect, the ILO needs to further strengthen its partnership with EU institutions, and particularly the European Commission. Based on the Oslo Declaration, the ILO has to deliver, throughout the region, concrete policy advice and assistance to mitigate the effects of the crisis on the labour market, promote coherent macroeconomic, employment and social policies for sustainable, inclusive and job-rich growth, advance social justice and ensure the compliance of labour legislation and its enforcement with international labour standards. With a view to leveraging the ILO's finite resources, and therefore achieving greater impact, thus responding increasingly effectively to the demands of constituents, it is vital to continue building partnerships, also with the International Monetary Fund, OECD, World Bank, other United Nations organizations and regional development banks, at the national, regional and global levels, as appropriate.
- 33.** In addition, the ILO offices in the region will continue to diversify resource mobilization, particularly through the creation of strategic partnerships with emerging donors, domestic development funding in the case of the economically more advanced countries, and PPPs, in line with the ILO's agreed policy and guiding principles. One recent example of a PPP agreement is the new partnership between the ILO and Lukoil on youth employment in selected CIS countries. The ILO also stands ready to scale up assistance to EU Member States, at their request, with the funding at their disposal through the European Social Fund.
- 34.** Two emerging donors in the region are the Russian Federation and Turkey. The Russian Federation is already supporting the implementation of the G20 Training Strategy in selected countries, and is interested in providing assistance in the areas of vocational education, the promotion of industrial development, national social infrastructure and the

creation of conditions for the involvement of the poorest population groups in economic activity. In 2013, the ILO Moscow Office provided significant support to the Russian G20 Presidency for the organization of the G20 Labour and Employment Ministers meeting, the first ever joint meeting of G20 Labour and Employment and Finance Ministers and the G20 Leaders Summit, which agreed on future policy directions to accelerate the recovery of employment, and emphasized the great importance of the ILO's future political and technical cooperation work in the region. The G20 Presidency of Turkey in 2015 will offer an opportunity to deepen the partnership between the ILO and Turkey, which in terms of its donor activities is particularly interested in South–South cooperation.

35. The ILO will continue to work closely with United Nations partners within the United Nations reform process, particularly in the framework of UNDAFs and One UN funds. In 2014 alone, 11 new UNDAFs will be formulated and approved, which will not only require strong inputs from ILO regional and field offices and national coordinators to the United Nations country teams, but it will also further raise expectations among constituents regarding the delivery of ILO technical cooperation. It will also be important for the Office structures in the region (and the ILO as a whole) to continue participating actively in the consultations and debates on the post-2015 development agenda to ensure that the Decent Work Agenda is well placed in the new global goals, which will replace the MDGs after 2015. The Regional Office has been closely involved in drafting the regional United Nations post-2015 advocacy paper, as well as in the regional United Nations consultation in Istanbul in November 2013, both of which contributed to the formulation of the global development agenda, which establishes a more important role for the ILO and its Decent Work Agenda.
36. Work in the region will continue to be demand-led and needs-based, using the ILO's comparative advantages, as well as being cost-effective, sustainable, delivering impact and well-balanced across the region. It will be guided by the Oslo Declaration and aligned with the new Areas of Critical Importance, and subsequently with the overarching strategic framework, which will replace the SPF 2010–15. This work will necessarily be aligned with the new technical cooperation strategy to be discussed by the Governing Body at its 322nd Session in November 2014.

### **Draft decision**

37. *In line with the Oslo Declaration, and in view of the need to expand the ILO's technical cooperation programme in Europe and Central Asia accordingly, the Governing Body requests the Office to develop a strategy to mobilize an adequate amount of voluntary funding for the region as a contribution to its review of the ILO's technical cooperation strategy at its 322nd Session in November 2014.*

## Appendix I

### Extra-budgetary Technical Cooperation (XBTC) in Europe and Central Asia, by region, subregion and country, 2003–13 \* (in US\$ thousands, excluding administrative expenditure)

Country or region/subregion	Total expenditure 2003–13	Number of current projects *	Current budget
Europe and Central Asia – Regional	33 148	8	6 045
Subregional Central and Eastern Europe	8 512	1	1 782
Subregional Eastern Europe and Central Asia	16 333	1	4 644
Albania	5 116	5	3 561
Armenia	170	–	–
Azerbaijan	348	1	68
Belarus	981	–	–
Belgium	61	1	107
Bosnia and Herzegovina	581	1	224
Bulgaria	263	–	–
Croatia	2 292	–	–
Cyprus	102	2	82
Czech Republic	7	–	–
Finland	21	–	–
France	1 063	1	637
Georgia	737	1	110
Germany	552	–	–
Greece	303	–	–
Hungary	502	–	–
Ireland	13	–	–
Italy	862	1	287
Kazakhstan	402	–	–
Kyrgyzstan	1 172	2	3 143
Latvia	221	–	–
Luxembourg	51	–	–
Poland	9	–	–
Portugal	481	2	468
Republic of Moldova	821	2	135
Romania	127	–	–
Russian Federation	7 260	1	283
Serbia	3 284	2	1 000
Serbia and Montenegro	1 594	–	–
Spain	183	–	–
Sweden	441	–	–
Switzerland	681	–	–
Tajikistan	1 170	1	7
The former Yugoslav Republic of Macedonia	222	–	–
Turkey	10 384	4	4 276
Ukraine	5 521	1	12
Uzbekistan	219	–	–
<b>Total for Europe and Central Asia</b>	<b>106 206</b>	<b>38</b>	<b>26 869</b>

\* Figures taken from IRIS as at 13 January 2014.

## Appendix II

### Extra-budgetary Technical Cooperation (XBTC) expenditure in Europe and Central Asia, by outcome, 2012 and 2013 <sup>1</sup> (in US\$ thousands, excluding administrative expenditure)

Strategic outcomes	2012		2013	
	\$	%	\$	%
<b>Strategic objective: Create greater opportunities for women and men to secure decent employment and income</b>	2 607	29.5	2 779	31.8
1. <b>Employment promotion:</b> More women and men have access to productive employment, decent work and income opportunities				
2. <b>Skills development:</b> Skills development increases the employability of workers, the competitiveness of enterprises, and the inclusiveness of growth	2 607	29.5	2 779	31.8
3. <b>Sustainable enterprises:</b> Sustainable enterprises create productive and decent jobs				
<b>Strategic objective: Enhance the coverage and effectiveness of social protection for all</b>	2 872	32.5	2 110	24.2
4. <b>Social security:</b> More people have access to better managed and more gender equitable social security benefits	10	0.1	1	0.0
5. <b>Working conditions:</b> Women and men have improved and more equitable working conditions				
6. <b>Occupational safety and health:</b> Workers and enterprises benefit from improved safety and health conditions at work	1 706	19.3	1 329	15.2
7. <b>Labour migration:</b> More migrant workers are protected and more migrant workers have access to productive employment and decent work	963	10.9	752	8.6
8. <b>HIV/AIDS:</b> The world of work responds effectively to the HIV/AIDS epidemic	194	2.2	27	0.3
<b>Strategic objective: Strengthen tripartism and social dialogue</b>	1 404	15.9	1 037	11.9
9. <b>Employers' organizations:</b> Employers have strong, independent and representative organizations	727	8.2	751	8.6
10. <b>Workers' organizations:</b> Workers have strong, independent and representative organizations				
11. <b>Labour administration and labour law:</b> Labour administrations apply up-to-date labour legislation and provide effective services				
12. <b>Social dialogue and industrial relations:</b> Tripartism and strengthened labour market governance contribute to effective social dialogue and sound industrial relations	632	7.1	286	3.3
13. <b>Decent work in economic sectors:</b> A sector-specific approach to decent work is applied	45	0.5	–	–
<b>Strategic objective: Promote and realize standards and fundamental principles and rights at work</b>	1 499	16.9	18.9	20.7
14. <b>Freedom of association and collective bargaining:</b> The right to freedom of association and collective bargaining is widely known and exercised	316	3.6	571	6.5
15. <b>Forced labour:</b> Forced labour is eliminated	133	1.5	102	1.2
16. <b>Child labour:</b> Child labour is eliminated, with priority being given to the worst forms	894	10.1	986	11.3
17. <b>Discrimination at work:</b> Discrimination in employment and occupation is eliminated	–1	0.0	16	0.2
18. <b>International labour standards:</b> International labour standards are ratified and applied	157	1.8	133	1.5
<b>Policy coherence</b>	464	5.2	999	11.4
19. <b>Mainstreaming decent work:</b> Member States place an integrated approach to decent work at the heart of their economic and social policies, supported by key UN and other multilateral agencies	464	5.2	–	–
	<b>8 847</b>	<b>100.0</b>	<b>8 734</b>	<b>100.0</b>

<sup>1</sup> Preliminary data as at 6 January 2014.