

Second item on the agenda: Programme and Budget proposals for 2016–17 and other questions

Second report of the Finance Committee of Government Representatives

1. The Finance Committee of Government Representatives met on 3 and 5 June 2015. Mr Hamza Khelif (Algeria) was elected Chairperson and Reporter. The Chairperson welcomed to the meeting Mr Cortebееck and Mr Mdwaba, as observers, representing respectively the Workers' and Employers' groups of the Governing Body.

Programme and Budget proposals for 2016–17

2. The Committee had before it the Director-General's Programme and Budget proposals for 2016–17, first considered by the Governing Body at its 323rd Session (March 2015). The Committee also had before it Report II, *Draft Programme and Budget for 2016–17 and other questions*, containing a report on the consideration of the Director-General's original and revised proposals as approved by the Governing Body.
3. The Director-General introduced the Programme and Budget proposals for 2016–17 with a proposed expenditure of US\$797,388,828. His introductory remarks are attached as Appendix I to this report.
4. Mr Mdwaba, speaking on behalf of the Employers' group, congratulated the Director-General and the Office on progress in dealing with concerns raised during the 323rd Session of the Governing Body. Amendments resulting from those discussions and subsequent consultations had been duly reflected in the "Addendum to the Director-General's Programme and Budget proposals for 2016–17". His group supported the programme and budget, but wished to make three points.
5. The Employers' group welcomed the increased number of member States targeted under indicator 4.1, together with the allocation of US\$4 million additional resources under the revised strategic framework. However, in his group's view, more member States should have been targeted.
6. While the internal reallocation of resources to focus on skills and young people was welcome, outcome 1 was still subject to the largest reduction in funding.

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7. Although the speaker noted the Director-General's commitment to keep the situation under review, funding for the Bureau for Employers' Activities remained insufficient, particularly given its increasing responsibilities in the private sector and the growing needs of employers' organizations.
 8. Mr Cortebeek, speaking on behalf of the Workers' group, said that discussion of the programme and budget was taking place in the context of the aftermath of the 2008 financial crisis, marked by factors such as continuing high levels of unemployment, including youth unemployment and increasing prevalence of precarious and informal work. However, working people were continuing to defend and, where possible, extend their rights, and advances had been achieved in many sectors and countries.
 9. He welcomed the continued commitment reflected in the programme and budget to the goal of decent work for all, based on the ILO Declaration on Social Justice for a Fair Globalization.
 10. He recalled that at the 323rd Session of the Governing Body he had welcomed the creation of additional technical positions at headquarters and in the field which, in his view, should be allocated to priority areas currently receiving inadequate regular budget funding. He supported the objective of strengthening the technical capacity of the Office, which should assist constituents to achieve all dimensions of decent work and enhance the Organization's advocacy of inclusive and sustainable growth.
 11. The framework of ten policy outcomes, three enabling outcomes and three cross-cutting policy drivers had received broad support at the 323rd Session of the Governing Body. It was essential that all four dimensions of the Decent Work Agenda were addressed in each of the outcomes, which required continued efforts to promote teamwork and to avoid the development of new silos.
 12. Technical cooperation resources should be aligned with the Organization's strategic outcomes, and constituents should exercise governance over their use and distribution. A portion of the extra-budgetary resources and Regular Budget Supplementary Account under each of the nine outcomes should be earmarked for assistance and activities for the social partners.
 13. He welcomed the consultations organized by the Office in April 2015 which had resulted in a number of changes to indicators, targets and baselines. He commended the stronger language on gender, international labour standards and consultation with the social partners across several outcomes, as well as the increases in a number of targets. He particularly welcomed the changes made to outcomes 1, 3, 5 and 7 and outcome A.
 14. Concerning outcome 4, the speaker welcomed the clearer language on multinationals and international labour standards. He regretted that outcome 2 did not include an indicator on the inclusion of the ratification of standards in Decent Work Country Programmes.
 15. He understood the financial constraints faced by several member States, but pointed out that constituents turned more to the ILO for assistance and services in times of crisis. Given the circumstances, his group accepted zero real growth of the budget while noting that a nominal reduction of the budget had been possible.
 16. A Government representative of Mexico emphasized the need to build and transform the ILO to ensure that, in the Director-General's words, the Organization was "more efficient, more visible, more useful – and in the end more influential" internationally. Mexico supported the suggested changes to indicators, targets and baselines. The proposed programme and budget would ensure that the ILO had the necessary resources to meet its

challenges, while continuing with reform; Mexico therefore endorsed the recommendation that the General Conference adopt the document. It appreciated the proposal for a zero real growth budget, which would establish a balance between the resources required by the Organization to exercise its mandate and build on the achievements of reform, while addressing the ongoing difficult financial situation of many countries. Mexico urged the Office to continue reform efforts and adopt innovative working methods that would lead to greater savings and efficiencies.

- 17.** A Government representative of the United States said that the programme and budget proposal was appropriately anchored in the continued commitment to the goal of decent work and its four strategic objectives. The United States welcomed the revised targets and provisional baselines presented in response to concerns expressed by government, employer and worker constituents during the 323rd Session of the Governing Body in March 2015, and supported the proposed budget level.
- 18.** A Government representative of Canada reiterated Canada's position of March 2015 that it considered the zero growth budget and associated programme to be an achievement. He welcomed the revisions to the indicators, particularly improvements that better reflected the cross-cutting policy driver of gender equality and non-discrimination. Canada supported the proposed Programme and Budget for 2016–17 and the Governing Body's recommendation.
- 19.** A Government representative of New Zealand supported the draft programme and budget, and commended the progressive improvements to resourcing and programming. He acknowledged that the journey would take longer, but a balance had been well achieved. New Zealand therefore supported the proposals and looked forward to supporting similar initiatives in the future.
- 20.** Speaking on behalf of the Africa group, a Government representative of Zimbabwe welcomed the draft Programme and Budget for 2016–17 and supported its adoption. Most of the proposed ten policy outcomes were a priority for the Africa group, as they related to employment creation, which was at the heart of the African agenda. The Africa group therefore urged the Office to ensure that the budget was directed to the projects, programmes and activities as outlined in the document.
- 21.** A Government representative of Mozambique supported the ten policy outcomes proposed in the draft programme and budget, which were in line with the ILO Declaration on Social Justice and the post-2015 development agenda. For Mozambique, creating decent work and durable employment, particularly for young people, and strengthening social protection were two strategic pillars in combating poverty. He therefore welcomed the importance given to those two strategic objectives in the proposed programme for 2016–17. As technical cooperation was fundamental to the achievement of the programme's objectives, he endorsed ILO support for South–South cooperation. Mozambique supported the draft Programme and Budget for 2016–17.
- 22.** A Government representative of the Netherlands expressed appreciation for the informal consultations held with all stakeholders. He commended the Office on following up the questions raised during those consultations regarding indicators and baselines. As a result, significant improvements were evident in the revised draft programme and budget.
- 23.** A Government representative of Norway supported the proposals, stating that the process followed since the 323rd Session of the Governing Body had been thorough and inclusive. He appreciated the added emphasis on promoting gender equality and non-discrimination.

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24. A Government representative of Iraq supported the proposals, particularly appreciating the increase in budget for the Arab States, which she hoped would be reflected in future budgets.
25. A Government representative of Mexico recalled that during the Finance Committee of the 102nd International Labour Conference, the Office had been requested to prepare a document detailing the reasons for the variation in the baseline budget figures in the draft programme and budget presented by the Director-General to the Governing Body in March, those recommended to the Finance Committee in June, and those in the final draft budget contained in the draft resolution to be submitted to the Conference. The information was particularly relevant due to the revaluation of the Swiss franc in January 2014, which could have a direct impact on most member States' contributions. For the purpose of transparency, Mexico reiterated that request, and further requested that it be placed on record that the Office should provide that information to the Conference before the Committee decided on the resolution for the programme and budget.
26. The Treasurer and Financial Comptroller responded that, should a different exchange rate result from the execution of the forward purchase contracts, the amended budget figures would be included in the document to be presented on 5 June 2015, and would give an explanation as to how the value had evolved due to adjustment for exchange rate movement.

Resolution for the adoption of the Programme and Budget for 2016–17 and the allocation of the budget of income among member States

27. The Committee had before it document C.F./D.2 which contained summarized financial details of the Programme and Budget proposals for 2016–17 and a draft resolution for submission to the Conference. Following the decision in favour of the Governing Body's recommendation concerning the programme and budget, the Office had carried out the forward purchase contracts for the ILO's US dollar requirements for the 2016–17 biennium. The appropriate figures now to be inserted in the formal resolution were:

Budget of expenditure in US dollars	797 390 000
Budget of income in US dollars	797 390 000
Budget rate of exchange, Swiss francs per US dollar	0.95
Equivalent budget total in Swiss francs	757 520 500

28. A representative of the Director-General (Treasurer and Financial Comptroller) explained that document C.F./D.2 showed the final expenditure and income budget following the execution of forward purchase contracts to cover estimated US dollar requirements. Due to the fact that the expenditure budget was stated in US dollars and the income budget was stated in Swiss francs, protective measures, that is the forward purchase contracts, were established since the 1990–91 biennium to ensure that further assessments on member States would not be required in consequence of any unfavourable foreign exchange movements between the Swiss franc and the US dollar.
29. Following the forward purchase contracts executed on 3 June 2015, the budget rate of exchange for 2016–17 remained at 0.95 Swiss francs (CHF) per US dollar and – unusually – no adjustment was required for exchange rate movement. The provisional expenditure budget at US\$797,390,000 reflected a minor rounding difference from the original

proposal, for presentation purposes. In accordance with the Financial Regulations, all gains on exchange rate movements arising from those protective measures were returned to member States with one half redistributed through the incentive scheme for the early payment of member States' contributions and one half refunded to all member States. The refunds would be offset against future biennia's assessments. The current difference between the US dollar and Swiss franc interest rates resulted, indicatively, in a premium of some CHF13 million.

30. A Government representative of Lebanon inquired about how member States were protected against exchange rate fluctuations. The Office representative explained that the purpose of the forward purchase contracts procedure was precisely to protect the budget from further adjustments and to ensure that the assessments would remain at the exchange rate of CHF0.95 to the US dollar in the case of the 2016–17 biennium.
31. In response to a question from a Government representative of Libya regarding the distribution of the net premium, the Office representative reiterated that one half of the net premium from exchange rate variations would be allocated to the Incentive Fund to encourage early payment of assessed contributions and one half would be returned to all member States in accordance with the approved scale of assessments once they had paid their contribution in full. The Incentive Fund was distributed among those member States which had paid their contributions for the period in full within the specified time frame. The distribution was based on the scale of assessment of member State contributions, the date of the payment and the amount paid.
32. The Government representative of Morocco said that the Government of the Kingdom of Morocco had paid its annual financial contribution to the ILO in full. The discrepancy in amount registered on payment of this contribution was due to the fluctuation in the exchange rate between the payment date in Moroccan dirhams and the date of settlement in Swiss francs. The Government representatives of Morocco and Iraq expressed concern that arrears of contributions due from a member State could arise due to fluctuations in the exchange rate between the member State's currency and the Swiss franc, that would then result in that member State losing its right to vote.
33. The representative of the Director-General (Treasurer and Financial Comptroller) explained that as assessed contributions were denominated in Swiss francs, it was the exact amount of Swiss francs received by the ILO's banking partner that was credited against the amount due. He stated that a member State only lost the right if their arrears of contributions equalled or exceeded the amount of contributions due from it for the preceding two years, and it was highly unlikely that a difference in exchange rates would result in a member definitively losing the right to vote. Even in the case of member States who had previously been in arrears and had regained the right to vote as a result of a financial arrangement, a grace period of approximately six months allowed sufficient time for payment variances to be regularized.
34. *The Committee decided to recommend that the Conference adopt this resolution, the text of which appears at the end of this report.*

Status of collection of member States' contributions

35. The Committee had before it document C.F./D.4 containing information on the status of collection of member States' contributions as at 25 May 2015.

36. The Treasurer and Financial Comptroller reported that, in addition to the information contained in the Office paper, contributions for 2015 and prior years amounting to CHF3,066,263 had since been received from 13 member States as follows:

Member States	Contribution received for 2015	Contribution received for arrears	Total contributions received in Swiss francs
Belarus	212 914	157 746	370 660
Burundi	–	3 014	3 014
Congo	3 219	–	3 219
Ecuador	167 463	153 778	321 241
El Salvador *	–	62 748	62 748
Guinea	–	4 031	4 031
Indonesia	1 315 470	–	1 315 470
Latvia	20 587	–	20 587
Nicaragua	11 403	773	12 176
Niger *	7 612	16 562	24 174
Paraguay	–	61 789	61 789
Ukraine *	–	693 162	693 162
Venezuela, Bolivarian Rep. of	–	173 992	173 992
Total	1 738 668	1 327 595	3 066 263

* El Salvador, Niger and Ukraine have regained their right to vote.

Including contributions received between 26 May 2015 and 3 June 2015, the total contributions received in 2015 amounted to CHF157,260,722. Of this amount, CHF144,940,722 represented contributions for 2015 and CHF12,320,000 represented contributions for arrears. The balance due as of 3 June 2015 was CHF305,433,016.

37. A Government representative of Iraq said that, despite the difficult situation in Iraq, her Government was fulfilling its obligation to the ILO. She reaffirmed Iraq's commitment to paying its contributions in accordance with its agreement with the ILO. She called for more ILO support, particularly technical assistance in the provision of training.
38. The representatives of Morocco and Zimbabwe sought clarifications on the status of their contributions. The Office representative invited the Government representatives to meet at the conclusion of the session to provide the required information.

39. *The Committee took note of the information in the document.*

Financial report and audited consolidated financial statements for the year ended 31 December 2014

40. The Committee had before it the *Financial report and audited consolidated financial statements for the year ended 31 December 2014 and the Report of the External Auditor thereon*; Report II, *Information concerning the programme and budget and other questions*; and document C.F./D.5, containing a recommendation submitted by the Governing Body that the Conference adopt the financial statements for the year ended 31 December 2014 and the External Auditor's Report thereon.

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41. A Government representative of Mexico commended the Office for its third consecutive year of being fully International Public Sector Accounting Standards (IPSAS) compliant, and on its efforts to improve the presentation and clarity of financial reporting. She endorsed the Governing Body's recommendation to take note of and approve the consolidated financial statements. However, she was concerned at the increase in the after-service health insurance (ASHI) liability, which was one, if not the main, cause of the Organization recording its first ever negative net-asset value. While acknowledging that the increase in the ASHI liability was due to factors out of the Office's control, it demonstrated the need to offset the increase with measures to contain the liability. She noted that the Director-General would report on ASHI matters to the Governing Body at its March 2016 session, based on the outcome of discussion at the United Nations General Assembly. She emphasized that, in the event the General Assembly failed to reach an agreement, the Office should nonetheless put forward alternative options for the more efficient management of medical insurance and mechanisms for containing the liability. Lastly, she concurred with the External Auditor's observations and recommendations on performance audits carried out in 2014, and welcomed the Office's endorsement of those recommendations and its efforts to implement them.
42. *The Committee recommended that the Conference adopt the financial statements for the year ended 31 December 2014 and the External Auditor's Report thereon, and accordingly that it adopt the resolution, the text of which appeared at the end of this report.*

Scale of assessments of contributions to the budget for 2016

43. The Committee had before it Report II, *Draft Programme and Budget for 2016–17 and other questions*, containing details of the proposed scale of assessments for 2016 and an associated draft resolution.
44. In response to a question from a Government representative of the Netherlands, the Treasurer and Financial Comptroller explained that the application for membership of the ILO by the Cook Islands would not necessitate the reopening of the 2016 scale of assessments. Whenever a new Member was admitted to the ILO, its contribution was assessed at the next session of the Conference.
45. *The Committee decided to recommend that the Conference adopt this resolution, the text of which appears at the end of this report.*

Financing the renovation of the ILO headquarters building

46. The Committee had before it Report II, *Draft Programme and Budget for 2016–17 and other questions*, containing a draft resolution on financing the renovation of the ILO headquarters building.
47. The representative of the Government of Mexico said that her Government could go along with the proposal regarding the contracting of a loan with the Foundation for Buildings for International Organizations (FIPOI) for the partial financing of the renovation of the ILO headquarters building up to an amount of CHF130 million, and thanked the government of the host country for its generosity in that regard. However, she recalled the position taken by the Governing Body in March 2015 that the amount of any long-term

loan should not exceed CHF70 million and that the interest relating to the loan should not be a charge to member States. She recalled that national laws of Mexico precluded the payment of interest on loans. In view of the considerable financial obligations entailed by the renovations, it might become necessary to revisit the financial plan. Any relevant changes that could lead to an increase of the amount of the long-term loan, including the conditions of the sale of land, should therefore be made available to the Governing Body so that it could assess the situation and recommend to the Conference to authorize the increase of the loan or to determine alternative solutions it deemed appropriate.

48. *The Committee decided to recommend that the Conference adopt this resolution, the text of which appears at the end of this report.*

Composition of the Administrative Tribunal of the International Labour Organization

49. The Committee had before it Report II, *Draft Programme and Budget for 2016–17 and other questions*, containing a draft resolution concerning appointments to the Administrative Tribunal of the ILO.

50. *The Committee decided to recommend that the Conference adopt this resolution, the text of which appears at the end of this report.*

Other questions: Appointments to the ILO Staff Pension Committee (United Nations Joint Staff Pension Board)

51. The Committee had before it document C.F./D.6 containing a draft resolution on appointments to the ILO Staff Pension Committee (United Nations Joint Staff Pension Board).

52. *The Committee decided to recommend that the Conference adopt this resolution, the text of which appears at the end of this report.*

Appendices

53. The address of the Director-General regarding the Programme and Budget proposals for 2016–17 is attached as Appendix I.

54. The draft scale for the assessment of contributions for the 2016 is attached as Appendix II.

55. A table showing the summary of the proposed expenditure budget for 2016–17 by appropriation line is attached to this report (Appendix III), together with the proposed summarized budget of expenditure and income for 2016–17 (Appendix IV).

56. A statement showing the contributions due from each member State for 2016 is also attached as Appendix V.

(Signed) H. Khelif
Chairperson and Reporter

Resolutions submitted to the Conference

Resolution concerning the adoption of the Programme and Budget for 2016–17 and the allocation of the budget of income among member States

The General Conference of the International Labour Organization,

In virtue of the Financial Regulations, adopts for the 75th financial period, ending 31 December 2017, the budget of expenditure for the International Labour Organization amounting to US\$797,390,000 and the budget of income amounting to US\$797,390,000, which, at the budget rate of exchange of 0.95 Swiss francs to the US dollar, amounts to 757,520,500 Swiss francs, and resolves that the budget of income, denominated in Swiss francs, shall be allocated among member States in accordance with the scale of contributions recommended by the Finance Committee of Government Representatives.

Resolution concerning the financial report and audited consolidated financial statements for the year ended 31 December 2014

The General Conference of the International Labour Organization,

Decides, in accordance with article 29 of the Financial Regulations, to adopt the financial statements for the year ended 31 December 2014 and the External Auditor's report thereon.

Resolution concerning the scale of assessments of contributions to the budget for 2016

The General Conference of the International Labour Organization,

Decides that, in accordance with the established practice of harmonizing the rates of assessment of ILO member States with their rates of assessment in the United Nations, to adopt the draft scale of assessments for 2016 as set out in the Appendix II to this document.

Resolution concerning financing of the renovation of the ILO headquarters building

The General Conference of the International Labour Organization,

Decides that the Director-General be authorized to contract a loan with the Foundation for Buildings for International Organisations (FIPOI) amounting to not more than 130 million Swiss francs for the partial financing of the renovation of the ILO headquarters building.

**Resolution concerning the composition of the
Administrative Tribunal of the International
Labour Organization**

The General Conference of the International Labour Organization,

Decides, in accordance with article III of the Statute of the Administrative Tribunal of the International Labour Organization,

- (a) to convey its deep appreciation to Mr Seydou Ba (Senegal) for the valuable services he has rendered to the work of the Administrative Tribunal of the International Labour Organization over the past 18 years as judge, Vice-President and President of the Tribunal;
- (b) to renew the appointments of Mr Giuseppe Barbagallo (Italy), Ms Dolores Hansen (Canada), Mr Michael Moore (Australia) and Sir Hugh Rawlins (Saint Kitts and Nevis) for a term of three years; and
- (c) to appoint Ms Fatoumata Diakité (Côte d'Ivoire) for a term of three years.

**Resolution concerning appointments to the ILO Staff
Pension Committee (United Nations Joint Staff
Pension Board)**

The General Conference of the International Labour Organization,

Appoints Mr B. Thibault (Workers) to the ILO Staff Pension Committee (United Nations Joint Staff Pension Board), with immediate effect, for the period ending 8 October 2016.

Appendix I

Address by Mr Guy Ryder, Director-General, to the Finance Committee of Government Representatives on the Programme and Budget proposals for 2016–17 (3 June 2015)

Members of the Finance Committee,
Chairperson, Mr Hamza Khelif,
Workers' Vice-Chairperson of the Governing Body and Spokesperson for the Employers,
Distinguished members of the Finance Committee of the International Labour Conference,
Ladies and Gentlemen,

You have before you the recommendation of the ILO Governing Body at its 323rd Session of March 2015 for an expenditure budget for 2016–17 of some US\$797 million.

Last March, the Governing Body provided wide and strong support for the essential rationale, structure and reform driven intent of my Programme and Budget proposals for 2016–17, including the proposed zero real growth level of the budget with a nominal reduction due to favourable economic conditions. As I noted at the time, this was exceptional and meant that our debate did not have to address how much money you entrusted to us but rather, could focus on how we proposed to use it.

Three key characteristics of these proposals which I would recall at this time are:

1. A focus on a reduced number of ten policy outcomes.
2. The continuation of the reform dividend with a further US\$25 million of resources being redeployed to strengthen ILO technical work. This has enabled 17 new technical positions to be established in the regions and 22 such positions within the Policy portfolio.
3. An enhanced role for the ILO in the wider UN Development system through and increased regular budget contribution to the UN Resident Coordinator system.

In my reply to issues raised by the Governing Body I made some adjustments to the strategic budget.

As you can see, this has resulted in an increase to the strategic budget for outcome 4 on promoting sustainable enterprises, a smaller increase to outcome 7 on promoting workplace compliance through labour inspection and a reduction in the strategic budget for outcome 6 on the formalization of the informal economy. As I mentioned at the time, this does not detract from the importance that we attribute to formalization of the informal economy. As you know, the Conference is currently working on a standard-setting item for precisely this topic and, as we move forward on this area of work, the Office will be making every effort to tap additional resources to support work on formalization.

Now, if I may draw your attention specifically to Appendix III of Report II, you will see that it contains a revised results framework for the outcomes. At the outset, I wish to underscore my appreciation to the Governing Body for their constructive advice and guidance in helping the Office to strengthen our results-based management systems through improved results tables, which now contain provisional baselines, in addition to modifications to indicators and revised targets. I trust you will agree that, what we have before us, is a more rigorous framework that is ambitious, comprehensive and, as a tool for guiding the Office's work, fit-for-purpose.

Changes have been made to the formulation of some of the indicators and to the results criteria, in many cases, to more clearly and specifically address the three vitally important cross-cutting drivers that inform the implementation of all policy outcomes: international labour standards; social dialogue; and gender equality and non-discrimination. Overall, the total number of country targets has increased slightly, with the increases attributed to Africa and the Asia-Pacific regions.

A number of Governing Body members raised concerns about the absence of baselines in the results tables presented to the Governing Body last March. Although there was a rationale behind this, we took note of these concerns and, as you can see, have now included provisional baselines for all outcomes. This provides a reference for what the Office is building on and a parameter against which to measure performance. As indicated, in Appendix III, final baselines will be set at the end of 2015 in the context of the preparation of the ILO programme implementation report for 2014–15.

Members of the Finance Committee,

During the opening session of the Conference on Monday, you will have heard statements of support for my programme and budget proposals from both the Workers' and Employers' Vice-Chairpersons of the Governing Body. The Governing Body has recommended that the Conference adopt the Programme and Budget proposals for 2016–17 and I commend this recommendation to you.

Appendix II

Scale of assessments for 2016

State	Draft scale of ILO assessments 2016 (%)
1 Afghanistan	0.005
2 Albania	0.010
3 Algeria	0.137
4 Angola	0.010
5 Antigua and Barbuda	0.002
6 Argentina	0.432
7 Armenia	0.007
8 Australia	2.075
9 Austria	0.798
10 Azerbaijan	0.040
11 Bahamas	0.017
12 Bahrain	0.039
13 Bangladesh	0.010
14 Barbados	0.008
15 Belarus	0.056
16 Belgium	0.999
17 Belize	0.001
18 Benin	0.003
19 Bolivia, Plurinational State of	0.009
20 Bosnia and Herzegovina	0.017
21 Botswana	0.017
22 Brazil	2.936
23 Brunei Darussalam	0.026
24 Bulgaria	0.047
25 Burkina Faso	0.003
26 Burundi	0.001
27 Cabo Verde	0.001
28 Cambodia	0.004
29 Cameroon	0.012
30 Canada	2.986
31 Central African Republic	0.001
32 Chad	0.002
33 Chile	0.334
34 China	5.151
35 Colombia	0.259
36 Comoros	0.001
37 Congo	0.005
38 Costa Rica	0.038
39 Côte d'Ivoire	0.011

State	Draft scale of ILO assessments 2016 (%)	
40	Croatia	0.126
41	Cuba	0.069
42	Cyprus	0.047
43	Czech Republic	0.386
44	Democratic Republic of the Congo	0.003
45	Denmark	0.675
46	Djibouti	0.001
47	Dominica	0.001
48	Dominican Republic	0.045
49	Ecuador	0.044
50	Egypt	0.134
51	El Salvador	0.016
52	Equatorial Guinea	0.010
53	Eritrea	0.001
54	Estonia	0.040
55	Ethiopia	0.010
56	Fiji	0.003
57	Finland	0.519
58	France	5.596
59	Gabon	0.020
60	Gambia	0.001
61	Georgia	0.007
62	Germany	7.145
63	Ghana	0.014
64	Greece	0.638
65	Grenada	0.001
66	Guatemala	0.027
67	Guinea	0.001
68	Guinea-Bissau	0.001
69	Guyana	0.001
70	Haiti	0.003
71	Honduras	0.008
72	Hungary	0.266
73	Iceland	0.027
74	India	0.666
75	Indonesia	0.346
76	Iran, Islamic Republic of	0.356
77	Iraq	0.068
78	Ireland	0.418
79	Israel	0.396
80	Italy	4.450
81	Jamaica	0.011
82	Japan	10.839

State	Draft scale of ILO assessments 2016 (%)	
83	Jordan	0.022
84	Kazakhstan	0.121
85	Kenya	0.013
86	Kiribati	0.001
87	Korea, Republic of	1.995
88	Kuwait	0.273
89	Kyrgyzstan	0.002
90	Lao People's Democratic Republic	0.002
91	Latvia	0.047
92	Lebanon	0.042
93	Lesotho	0.001
94	Liberia	0.001
95	Libya	0.142
96	Lithuania	0.073
97	Luxembourg	0.081
98	Madagascar	0.003
99	Malawi	0.002
100	Malaysia	0.281
101	Maldives, Republic of	0.001
102	Mali	0.004
103	Malta	0.016
104	Marshall Islands	0.001
105	Mauritania	0.002
106	Mauritius	0.013
107	Mexico	1.843
108	Moldova, Republic of	0.003
109	Mongolia	0.003
110	Montenegro	0.005
111	Morocco	0.062
112	Mozambique	0.003
113	Myanmar	0.010
114	Namibia	0.010
115	Nepal	0.006
116	Netherlands	1.655
117	New Zealand	0.253
118	Nicaragua	0.003
119	Niger	0.002
120	Nigeria	0.090
121	Norway	0.852
122	Oman	0.102
123	Pakistan	0.085
124	Palau	0.001
125	Panama	0.026

State	Draft scale of ILO assessments 2016 (%)	
126	Papua New Guinea	0.004
127	Paraguay	0.010
128	Peru	0.117
129	Philippines	0.154
130	Poland	0.922
131	Portugal	0.474
132	Qatar	0.209
133	Romania	0.226
134	Russian Federation	2.439
135	Rwanda	0.002
136	Saint Kitts and Nevis	0.001
137	Saint Lucia	0.001
138	Saint Vincent and the Grenadines	0.001
139	Samoa	0.001
140	San Marino	0.003
141	Sao Tome and Principe	0.001
142	Saudi Arabia	0.865
143	Senegal	0.006
144	Serbia	0.040
145	Seychelles	0.001
146	Sierra Leone	0.001
147	Singapore	0.384
148	Slovakia	0.171
149	Slovenia	0.100
150	Solomon Islands	0.001
151	Somalia	0.001
152	South Africa	0.372
153	South Sudan	0.004
154	Spain	2.975
155	Sri Lanka	0.025
156	Sudan	0.010
157	Suriname	0.004
158	Swaziland	0.003
159	Sweden	0.961
160	Switzerland	1.048
161	Syrian Arab Republic	0.036
162	Tajikistan	0.003
163	Tanzania, United Republic of	0.009
164	Thailand	0.239
165	The former Yugoslav Republic of Macedonia	0.008
166	Timor-Leste	0.002
167	Togo	0.001
168	Trinidad and Tobago	0.044

State	Draft scale of ILO assessments 2016 (%)
169 Tunisia	0.036
170 Turkey	1.329
171 Turkmenistan	0.019
172 Tuvalu	0.001
173 Uganda	0.006
174 Ukraine	0.099
175 United Arab Emirates	0.595
176 United Kingdom	5.182
177 United States	22.000
178 Uruguay	0.052
179 Uzbekistan	0.015
180 Vanuatu	0.001
181 Venezuela, Bolivarian Republic of	0.627
182 Viet Nam	0.042
183 Yemen	0.010
184 Zambia	0.006
185 Zimbabwe	0.002
Total	100.000

Appendix III

Proposed expenditure budget by appropriation line (in US dollars)

Item	2014–15 Budget	2016–17 Estimates (in constant 2014–15 dollars)	2016–17 Estimates (recosted and revalued at CHF0.95 to US\$1)
PART I. ORDINARY BUDGET			
A. Policy-making organs	56 413 245	54 441 096	54 727 968
B. Policy outcomes	637 682 127	640 534 273	635 564 571
C. Management services	63 864 594	62 984 597	62 713 611
D. Other budgetary provisions	45 594 077	45 594 077	46 575 748
Adjustment for staff turnover	-6 595 445	-6 595 445	-6 520 763
Total Part I	796 958 598	796 958 598	793 061 135
PART II. UNFORESEEN EXPENDITURE			
Unforeseen expenditure	875 000	875 000	875 000
PART III. WORKING CAPITAL FUND			
Working Capital Fund	-	-	-
Total Parts I-III	797 833 598	797 833 598	793 936 135
PART IV. INSTITUTIONAL INVESTMENTS AND EXTRAORDINARY ITEMS			
Institutional investments and extraordinary items	3 426 402	3 426 402	3 453 865
Total Parts I-IV	801 260 000	801 260 000	797 390 000

Appendix IV

Proposed summarized budget of expenditure and income for 2016–17

	Expenditure			Income			
	2014–15 Budget	2016–17 Estimates		2014–15 Budget		2016–17 Estimates	
	US\$	US\$		US\$	CHF	US\$	CHF
Part I Ordinary budget	796 958 598	793 061 135	Contributions from member States	801 260 000	761 197 000	797 390 000	757 520 500
Part II Unforeseen expenditure	875 000	875 000					
Part III Working capital fund	–	–					
Part IV Institutional investments and extraordinary items	3 426 402	3 453 865					
Total budget	801 260 000	797 390 000		801 260 000	761 197 000	797 390 000	757 520 500

Appendix V

Income budget for 2016–17 Statement of contributions due from member States for 2016 (in Swiss francs)

Member States	Assessed Contribution for 2016		Earned Credits Distributed in Respect of :			Total Credits	Net Contribution for 2016
			2014 Incentive Scheme	Prior years ⁽¹⁾			
	%	Amount		50% Net Premium	Surplus		
1 Afghanistan	0.005	18 938		122	2	124	18 814
2 Albania	0.010	37 876		373	1	374	37 502
3 Algeria	0.137	518 901	201	-	33	234	518 667
4 Angola	0.010	37 876		15	2	17	37 859
5 Antigua and Barbuda	0.002	7 575		-	2	2	7 573
6 Argentina	0.432	1 636 244		423	143	566	1 635 678
7 Armenia	0.007	26 513	8	-	-	8	26 505
8 Australia	2.075	7 859 275	3 044	-	343	3 387	7 855 888
9 Austria	0.798	3 022 507	1 057	-	161	1 218	3 021 289
10 Azerbaijan	0.040	151 504	55	1 650	4 442	6 147	145 357
11 Bahamas	0.017	64 389	24	-	5	29	64 360
12 Bahrain	0.039	147 716	57	-	5	62	147 654
13 Bangladesh	0.010	37 876	15	-	2	17	37 859
14 Barbados	0.008	30 301	9	-	2	11	30 290
15 Belarus	0.056	212 106	65	-	73	138	211 968
16 Belgium	0.999	3 783 815	1 195	-	255	1 450	3 782 365
17 Belize	0.001	3 788		-	2	2	3 786
18 Benin	0.003	11 363		93	2	95	11 268
19 Bolivia, Plurinational State of	0.009	34 088	2	-	2	4	34 084
20 Bosnia and Herzegovina	0.017	64 389	24	-	-	24	64 365
21 Botswana	0.017	64 389	25	-	2	27	64 362
22 Brazil	2.936	11 120 401		2 374	317	2 691	11 117 710
23 Brunei Darussalam	0.026	98 478	38	-	-	38	98 440
24 Bulgaria	0.047	178 017		-	33	33	177 984
25 Burkina Faso	0.003	11 363		-	2	2	11 361
26 Burundi	0.001	3 788		-	15	15	3 773
27 Cabo Verde	0.001	3 788		47	2	49	3 739
28 Cambodia	0.004	15 150	5	272	2	279	14 871
29 Cameroon	0.012	45 451	18	-	2	20	45 431
30 Canada	2.986	11 309 781	4 381	-	675	5 056	11 304 725
31 Central African Republic	0.001	3 788	1	-	2	3	3 785
32 Chad	0.002	7 575		70	2	72	7 503
33 Chile	0.334	1 265 059	433	348	18	799	1 264 260
34 China	5.151	19 509 940	5 102	-	172	5 274	19 504 666
35 Colombia	0.259	980 989		-	31	31	980 958
36 Comoros	0.001	3 788		-	-	-	3 788
37 Congo	0.005	18 938		4	2	6	18 932
38 Costa Rica	0.038	143 929	48	50	5	103	143 826
39 Côte d'Ivoire	0.011	41 664	12	457	5	474	41 190
40 Croatia	0.126	477 238	185	-	-	185	477 053
41 Cuba	0.069	261 345		105	20	125	261 220
42 Cyprus	0.047	178 017	64	-	5	69	177 948
43 Czech Republic	0.386	1 462 014	566	-	143	709	1 461 305
44 Democratic Republic of the Congo	0.003	11 363		144	2	146	11 217
45 Denmark	0.675	2 556 632	970	-	150	1 120	2 555 512
46 Djibouti	0.001	3 788		-	2	2	3 786
47 Dominica	0.001	3 788		-	2	2	3 786
48 Dominican Republic	0.045	170 442		1 599	7	1 606	168 836
49 Ecuador	0.044	166 654		59	7	66	166 588
50 Egypt	0.134	507 539	197	-	16	213	507 326

	Member States	Assessed Contribution for 2016		Earned Credits Distributed in Respect of :			Total Credits	Net Contribution for 2016
				2014 Incentive Scheme	Prior years ⁽¹⁾			
					50% Net Premium	Surplus		
%	Amount							
51	El Salvador	0.016	60 602		908	2	910	59 692
52	Equatorial Guinea	0.010	37 876		-	2	2	37 874
53	Eritrea	0.001	3 788	1	-	-	1	3 787
54	Estonia	0.040	151 504	59	-	-	59	151 445
55	Ethiopia	0.010	37 876	13	-	2	15	37 861
56	Fiji	0.003	11 363	4	-	2	6	11 357
57	Finland	0.519	1 965 766	740	-	112	852	1 964 914
58	France	5.596	21 195 424	8 045	-	1 366	9 411	21 186 013
59	Gabon	0.020	75 752		-	7	7	75 745
60	Gambia	0.001	3 788		-	-	-	3 788
61	Georgia	0.007	26 513	1	-	-	1	26 512
62	Germany	7.145	27 062 420	4 948	-	2 043	6 991	27 055 429
63	Ghana	0.014	53 026		-	2	2	53 024
64	Greece	0.638	2 416 490		1 018	88	1 106	2 415 384
65	Grenada	0.001	3 788		-	2	2	3 786
66	Guatemala	0.027	102 265	37	-	5	42	102 223
67	Guinea	0.001	3 788		3	2	5	3 783
68	Guinea-Bissau	0.001	3 788		-	2	2	3 786
69	Guyana	0.001	3 788	2	-	2	4	3 784
70	Haiti	0.003	11 363		-	2	2	11 361
71	Honduras	0.008	30 301		12	2	14	30 287
72	Hungary	0.266	1 007 502	346	-	46	392	1 007 110
73	Iceland	0.027	102 265	39	-	7	46	102 219
74	India	0.666	2 522 543	977	-	81	1 058	2 521 485
75	Indonesia	0.346	1 310 510	469	-	33	502	1 310 008
76	Iran, Islamic Republic of	0.356	1 348 386		9 617	150	9 767	1 338 619
77	Iraq	0.068	257 557		1 158	3 142	4 300	253 257
78	Ireland	0.418	1 583 218	544	-	40	584	1 582 634
79	Israel	0.396	1 499 891		566	46	612	1 499 279
80	Italy	4.450	16 854 831	4 675	-	871	5 546	16 849 285
81	Jamaica	0.011	41 664		-	2	2	41 662
82	Japan	10.839	41 053 823	13 677	-	2 485	16 162	41 037 661
83	Jordan	0.022	83 327		-	2	2	83 325
84	Kazakhstan	0.121	458 300	5	-	-	5	458 295
85	Kenya	0.013	49 239	2	-	2	4	49 235
86	Kiribati	0.001	3 788		47	-	47	3 741
87	Korea, Republic of	1.995	7 556 267	1 308	3 330	-	4 638	7 551 629
88	Kuwait	0.273	1 034 015		-	64	64	1 033 951
89	Kyrgyzstan	0.002	7 575		-	-	-	7 575
90	Lao People's Democratic Republic	0.002	7 575		1	2	3	7 572
91	Latvia	0.047	178 017	66	-	-	66	177 951
92	Lebanon	0.042	159 079		1 560	2	1 562	157 517
93	Lesotho	0.001	3 788		-	2	2	3 786
94	Liberia	0.001	3 788		-	2	2	3 786
95	Libya	0.142	537 839		-	62	62	537 777
96	Lithuania	0.073	276 495	107	-	-	107	276 388
97	Luxembourg	0.081	306 796		-	13	13	306 783
98	Madagascar	0.003	11 363		116	2	118	11 245
99	Malawi	0.002	7 575		47	2	49	7 526
100	Malaysia	0.281	1 064 316	322	-	24	346	1 063 970
101	Maldives, Republic of	0.001	3 788		1	-	1	3 787
102	Mali	0.004	15 150		4	2	6	15 144
103	Malta	0.016	60 602	21	-	2	23	60 579
104	Marshall Islands	0.001	3 788	2	-	-	2	3 786
105	Mauritania	0.002	7 575		-	2	2	7 573
106	Mauritius	0.013	49 239	19	-	2	21	49 218
107	Mexico	1.843	6 980 551	1 124	3 471	205	4 800	6 975 751
108	Moldova, Republic of	0.003	11 363	4	-	-	4	11 359
109	Mongolia	0.003	11 363	3	3	2	8	11 355
110	Montenegro	0.005	18 938	7	-	-	7	18 931

Member States	Assessed Contribution for 2016		Earned Credits Distributed in Respect of :			Total Credits	Net Contribution for 2016	
			2014 Incentive Scheme	Prior years ⁽¹⁾				
	%	Amount			50% Net Premium	Surplus		
111	Morocco	0.062	234 831		-	9	9	234 822
112	Mozambique	0.003	11 363	4	-	2	6	11 357
113	Myanmar	0.010	37 876		9	2	11	37 865
114	Namibia	0.010	37 876	1	-	2	3	37 873
115	Nepal	0.006	22 726		-	2	2	22 724
116	Netherlands	1.655	6 268 482	2 358	-	361	2 719	6 265 763
117	New Zealand	0.253	958 263	371	-	53	424	957 839
118	Nicaragua	0.003	11 363		-	2	2	11 361
119	Niger	0.002	7 575		3	2	5	7 570
120	Nigeria	0.090	340 884	3	3 049	44	3 096	337 788
121	Norway	0.852	3 227 037	1 190	-	121	1 311	3 225 726
122	Oman	0.102	386 335		127	-	127	386 208
123	Pakistan	0.085	321 946		121	13	134	321 812
124	Palau	0.001	3 788		1	-	1	3 787
125	Panama	0.026	98 478	29	-	5	34	98 444
126	Papua New Guinea	0.004	15 150		93	2	95	15 055
127	Paraguay	0.010	37 876		-	-	-	37 876
128	Peru	0.117	443 149	20	133	13	166	442 983
129	Philippines	0.154	583 291	203	-	20	223	583 068
130	Poland	0.922	3 492 169	1 352	-	123	1 475	3 490 694
131	Portugal	0.474	1 795 324		753	40	793	1 794 531
132	Qatar	0.209	791 609	300	-	11	311	791 298
133	Romania	0.226	855 998	299	-	42	341	855 657
134	Russian Federation	2.439	9 237 962		-	2 181	2 181	9 235 781
135	Rwanda	0.002	7 575		-	2	2	7 573
136	Saint Kitts and Nevis	0.001	3 788		-	-	-	3 788
137	Saint Lucia	0.001	3 788		1	2	3	3 785
138	Saint Vincent and the Grenadines	0.001	3 788		-	-	-	3 788
139	Samoa	0.001	3 788		-	-	-	3 788
140	San Marino	0.003	11 363	4	-	2	6	11 357
141	Sao Tome and Principe	0.001	3 788		-	2	2	3 786
142	Saudi Arabia	0.865	3 276 276	1 181	-	222	1 403	3 274 873
143	Senegal	0.006	22 726		242	2	244	22 482
144	Serbia	0.040	151 504	4	-	-	4	151 500
145	Seychelles	0.001	3 788	2	-	2	4	3 784
146	Sierra Leone	0.001	3 788		-	-	-	3 788
147	Singapore	0.384	1 454 439	563	-	24	587	1 453 852
148	Slovakia	0.171	647 680	243	-	-	243	647 437
149	Slovenia	0.100	378 760	144	-	-	144	378 616
150	Solomon Islands	0.001	3 788		-	2	2	3 786
151	Somalia	0.001	3 788		-	-	-	3 788
152	South Africa	0.372	1 408 988	546	-	-	546	1 408 442
153	South Sudan	0.004	15 150		-	-	-	15 150
154	Spain	2.975	11 268 117	3 813	-	427	4 240	11 263 877
155	Sri Lanka	0.025	94 690		-	2	2	94 688
156	Sudan	0.010	37 876		466	2	468	37 408
157	Suriname	0.004	15 150		-	2	2	15 148
158	Swaziland	0.003	11 363	4	-	2	6	11 357
159	Sweden	0.961	3 639 886	1 362	-	264	1 626	3 638 260
160	Switzerland	1.048	3 969 407	1 507	-	235	1 742	3 967 665
161	Syrian Arab Republic	0.036	136 354	1	992	9	1 002	135 352
162	Tajikistan	0.003	11 363		-	-	-	11 363
163	Tanzania, United Republic of	0.009	34 088		-	2	2	34 086
164	Thailand	0.239	905 237	351	-	22	373	904 864
165	The former Yugoslav Republic of Macedonia	0.008	30 301		10	-	10	30 291
166	Timor-Leste	0.002	7 575	2	-	-	2	7 573
167	Togo	0.001	3 788	2	-	2	4	3 784
168	Trinidad and Tobago	0.044	166 654	62	-	11	73	166 581
169	Tunisia	0.036	136 354	49	-	7	56	136 298
170	Turkey	1.329	5 033 724	1 716	-	70	1 786	5 031 938

Member States	Assessed Contribution for 2016		Earned Credits Distributed in Respect of :			Total Credits	Net Contribution for 2016
			2014 Incentive Scheme	Prior years ⁽¹⁾			
	%	Amount		50% Net Premium	Surplus		
171 Turkmenistan	0.019	71 964	27	-	-	27	71 937
172 Tuvalu	0.001	3 788		-	-	-	3 788
173 Uganda	0.006	22 726		-	2	2	22 724
174 Ukraine	0.099	374 973		-	273	273	374 700
175 United Arab Emirates	0.595	2 253 623	824	-	42	866	2 252 757
176 United Kingdom	5.182	19 627 356	7 534	-	1 062	8 596	19 618 760
177 United States	22.000	83 327 255		32 397	5 497	37 894	83 289 361
178 Uruguay	0.052	196 955		40	9	49	196 906
179 Uzbekistan	0.015	56 814		-	-	-	56 814
180 Vanuatu	0.001	3 788		-	-	-	3 788
181 Venezuela, Bolivarian Republic of	0.627	2 374 827		462	125	587	2 374 240
182 Viet Nam	0.042	159 079	46	-	-	46	159 033
183 Yemen	0.010	37 876		15	5	20	37 856
184 Zambia	0.006	22 726		6	2	8	22 718
185 Zimbabwe	0.002	7 575		-	5	5	7 570
TOTAL	100.000	378 760 250	81 485	68 987	29 447	179 919	378 580 331

⁽¹⁾ Should a member State pay previous year's contributions prior to the closure of the 104th Session of the International Labour Conference, that member State's earned credits may change.

CONTENTS

	<i>Page</i>
<i>Second item on the agenda: Programme and Budget proposals for 2016–17 and other questions</i>	
Second report of the Finance Committee of Government Representatives	1
Resolutions submitted to the Conference.....	9
<i>Appendices</i>	
I. Address by Mr Guy Ryder, Director-General, to the Finance Committee of Government Representatives on the Programme and Budget proposals for 2016–17 (3 June 2015).....	11
II. Scale of assessments for 2016.....	13
III. Proposed expenditure budget by appropriation line (in US dollars).....	18
IV. Proposed summarized budget of expenditure and income for 2016–17	19
V. Income budget for 2016–17 Statement of contributions due from member States for 2016 (in Swiss francs)	20

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