



## FIFTH ITEM ON THE AGENDA

**Proposed 2004-05 budgets for extra-budgetary accounts****(b) Inter-American Research and Documentation Centre on Vocational Training (CINTERFOR)**

1. As in previous biennia, and in accordance with the provisions for the establishment of the extra-budgetary account of the Inter-American Research and Documentation Centre on Vocational Training (CINTERFOR), the Committee is called upon to examine the estimates for this account.
2. The budget for the extra-budgetary account is included in Appendix I. Details of all expenditure proposed are given in Appendix II. The programme of activities is described in paragraphs 3-21.
3. CINTERFOR's programme and budget proposals for the 2004-05 biennium focus on promoting training as a tool enabling men and women on an equal basis to secure decent employment and income.
4. Such proposals are aimed at the institutional strengthening of the national vocational training institutions, ministries of labour, and employers' and workers' organizations of Latin America and the Caribbean in order to enhance the quality, relevance and efficiency of their training activities vis-à-vis the current productivity and competitiveness challenges of enterprises and countries, and the demands for equity that vast underprivileged social sectors are making to improve their employability, in particular young people, women, unemployed and underemployed workers.
5. The main objective of the 2004-05 programme is to stimulate the development of training policies and to consolidate training systems by increasing investments in training, and designing and implementing programmes to meet current challenges of competitiveness and employability promotion, allowing for growth with social equity, so that men and women may have better possibilities of evading poverty through decent work. Particular emphasis is placed on training strategies promoting integration into the labour market of disadvantaged groups of the population, and persons with special needs, offering them the possibility of improving their productivity and employability.

6. The work of CINTERFOR contributes to the ILO objective of attaining decent work through training. To that end, the Centre has adapted its programme to the four strategic objectives of the Organization. It has mainly centred on the strategic objective of giving men and women better opportunities of securing decent employment and incomes. Its programme is in line with the regional strategy laid down by the ILO Regional Office for Latin America and the Caribbean, and substantively with that of the InFocus Programme on Skills, Knowledge and Employability (IFP/SKILLS). It also falls within the ILO integration policy and the priority demands made by member States at the 36th Meeting of the Technical Committee (La Antigua, Guatemala, 2003).

### **Subprogramme 1. Promotion of standards and fundamental principles and rights at work**

7. Vocational training is a key tool for enhancing the productivity and employability of persons and enabling them to obtain decent employment and income. It is therefore a vital right of workers in the current labour market context. In addition, education in general and vocational training in particular are essential requirements for effectively enjoying fundamental principles and rights at work.
8. In the light of the discussion at the 91st Session (2003) of the International Labour Conference on the Human Resources Development Recommendation, 1975 (No. 150), and the adoption of a revised standard in 2004, CINTERFOR will continue taking part in the work of the Employment Sector for the promotion of debate and reflection on the subject, and dissemination of it among the social and training actors in the Americas. For that purpose, CINTERFOR will have the technical support of IFP/SKILLS.
9. CINTERFOR will carry out activities for the dissemination and application of the Human Resources Development Convention, 1975 (No. 142). CINTERFOR will also cooperate with the ILO Regional Office and subregional and area offices in the promotion of the right to training and its relations with fundamental principles and rights at work.

### **Subprogramme 2. Creating greater opportunities for women and men to secure decent employment and income**

10. Most of the efforts deployed by CINTERFOR contribute to this strategic objective, in particular to the operational objective on knowledge, skills and employability.
11. CINTERFOR will continue to promote the institutional strengthening and management modernization of the national bodies in charge of training in the different countries of the region (vocational training institutions, ministries of labour and employers' and workers' organizations of Latin America and the Caribbean), in order to enhance the quality, relevance, efficiency and scope of their programmes, so that men and women may improve their employability and incomes and thereby reduce poverty levels.
12. To that end, CINTERFOR will support processes of institutional reform, restructuring and consolidation, and will lend technical assistance for the identification of training needs, design and implementation of training actions, training by occupational competencies, adoption of new information technologies and incorporation of quality management modules.
13. It will likewise continue to offer technical support to training policies and strategies promoting social equity and equal opportunities and incorporating a gender dimension. To

that effect it will collaborate with ministries of labour, training institutions, employers' and workers' organizations in the design, development and implementation of gender-awareness programmes for distinct target groups such as young people, rural workers and persons with disabilities.

14. Quality training is essential for achieving high levels of competitiveness and productivity. CINTERFOR will continue with its efforts to promote the design and development of high-level training programmes for training managers, and will promote the dissemination of successful experiences in the region in connection with the quality of training. The Centre will promote the use of new information technologies and their application to training.
15. The Centre will develop training programmes on the use of renewable sources of energy. This will contribute to preventing growing environmental degradation and improving living conditions. In particular the linkages between the use of non-conventional energy sources and job creation will be addressed.

### **Subprogramme 3. Enhancing the coverage and effectiveness of social protection for all**

16. Training in safety and health at work contributes to reducing the rate of accidents in various sectors of the economy (particularly high in construction, forestry, paper and pulp, and metal mechanics). CINTERFOR will support efforts for the preparation of teaching manuals on the subject, delivering courses and providing technical assistance to ministries of labour and vocational training institutes in the region.
17. Vocational training is emerging as an essential component of all social protection policies and programmes. In effect, international labour standards already include vocational training as part of active employment and labour market policies. The relocation of workers laid off for technological and economic causes often requires retraining. Unemployment insurance services are increasingly coordinated with training programmes. In a context of rapid technological change, maintaining existing working and employment conditions calls for sustained training efforts. Workers cannot improve their ability and employability without adequate training.
18. CINTERFOR will encourage development of the necessary convergence between vocational training and social protection, and will disseminate best practices in this area, in close cooperation with the relevant technical units of the ILO – in particular IFP/SKILLS and the Turin Centre – and with the Regional Office and subregional and area offices.

### **Subprogramme 4. Strengthening tripartism and social dialogue**

19. Training has acquired unprecedented importance in contemporary societies, having become a highly propitious environment for social dialogue between governments and workers' and employers' organizations. Training is nowadays a most promising ground, where innovative processes are being tried out, like bipartite, sectoral (bipartite) and local management.
20. This has encouraged CINTERFOR to continue implementing technical cooperation and information dissemination activities enabling the social partners to take part in the formulation, application and evaluation of public policies and programmes in the field of training, as well as in designing, implementing and assessing training activities. The Centre

will continue to assist in processes of social dialogue in all decentralized areas of training systems and institutions, at regional, local and sectoral levels.

21. Additionally, the gradual incorporation of vocational training into collective bargaining and other areas of social dialogue (social pacts, macro agreements, information and consultation), as well as the development of closer links between training and labour relations, will continue to be the object of analysis, research and technical assistance by CINTERFOR. The systematization and dissemination of successful experiences and thinking generated on the subject will contribute to the consolidation of training as an object of social dialogue and labour relations in general. This is expected to reinforce dialogue and tripartite agreements, and consequently lead to more fluent and modern labour relations. At the same time, the greater involvement of social partners in training is expected to be a source of enrichment for them.

### **Summary of proposed 2004-05 income and expenditure**

22. Contributions from the ILO, the Government of Uruguay and the countries in the region constitute the main sources of income for the Centre. Other sources of income are sales of publications and miscellaneous financial receipts.
23. The contribution from the ILO of \$1,774,225 covers the financing of the post of the Director, one expert, the cost of local staff and part of non-staff costs.
24. The Government of Uruguay's contribution will be \$100,000 as in 2002-03. In addition, the Government provides the Centre with rent-free premises.
25. The countries in the region have continued to make voluntary contributions to the Centre. The total amount expected to be received in 2004-05 will be \$450,000, the same as the 2002-03 approved budget. Sales of publications are also expected to be at the same level as in the 2002-03 approved budget of \$30,000.
26. As a result of the economic crisis facing most countries in the region, including Uruguay, some contributions expected to be received in 2002-03 may not be received until 2004-05.
27. The overall expenditure budget proposal is \$2.36 million. Of this amount, \$1.33 million relates to staff costs and \$1.03 million to the non-staff costs. Local staff work-years have increased by 2/00 work-years compared to 2002-03 budget. Non-staff costs for research, seminars, publications and documentation have increased to enable the Centre to fulfil its commitment in strengthening vocational training institutions, expansion of its general information services through modernization and enhancement of its web site and translation of its publications into the English language.
28. The level of the proposals is based on the understanding that the Director of the Centre is authorized to use the budget approved by the Governing Body only in so far as the estimated resources indicated therein are made available.
29. *The Committee may wish to recommend that the Governing Body approve the income and expenditure estimates for 2004-05 of the Inter-American Research and Documentation Centre on Vocational Training (CINTERFOR) extra-budgetary account, as set out in Appendix I.*

Geneva, 2 September 2003.

*Point for decision:* Paragraph 29.

## Appendix I

### Inter-American Research and Documentation Centre on Vocational Training (CINTERFOR)

The proposed income and expenditure for the extra-budgetary account for the financial period from 1 January 2004 to 31 December 2005 are given below, together with comparative figures for budgeted and estimated actual income and expenditure for 2002-03.

	2002-03 approved budget (US\$)	2002-03 forecasted income and expenditure (US\$)	2004-05 proposed budget (US\$)
A. <i>Funds brought forward from previous period</i>	–	245 981	–
B. Income			
ILO contributions (including RBTC)	1 696 200	1 696 200	1 774 225
Host country contribution	100 000	100 000	100 000
Contributions from other countries in the region	450 000	380 000	450 000
Sales of publications	30 000	35 000	30 000
Miscellaneous income <sup>1</sup>	40 000	22 134	5 000
<i>Total income</i>	2 316 200	2 233 334	2 359 225
C. Total funds available	2 316 200	2 479 315	2 359 225
D. Total expenditure	–	2 479 315	2 359 225
E. <i>Funds to be carried forward to the next period</i>	–	–	–

<sup>1</sup> Including interest and exchange/revaluation gains/losses.

## Appendix II

### Inter-American Research and Documentation Centre on Vocational Training (CINTERFOR)

Summary of proposed 2004-05 expenditure by subprogramme  
(extra-budgetary account and ILO contribution)

Subprogramme	Work-year/months		Cost in US\$		
	Professional	General Service	Staff	Non-Staff	Total
Technical services	2/00	2/00	394 621	20 000	414 621
Research studies and seminars		4/00	119 028	544 900	663 928
Publications, documents and general information		14/00	356 909	185 000	541 909
Administrative services		6/00	135 527	237 800	373 327
Programme management	2/00		325 440	40 000	365 440
2004-05 proposals	4/00	26/00	1 331 525	1 027 700	2 359 225
2002-03 budget	4/00	24/00	1 698 400	617 800	2 316 200