

**FOR INFORMATION**

FOURTH ITEM ON THE AGENDA

**International Training Centre
of the ILO, Turin****(b) Report on the 67th Session of the
Board of the Centre**
(Turin, 3-4 November 2005)

1. *The Chairperson, Ms. Patricia O'Donovan*, welcomed the members of the Board, especially those who were taking part for the first time following the turnover in the membership of the Governing Body of the ILO the previous June. She expressed her pleasure and honour at chairing this 67th Session of the Board of the Centre in place of the Director-General, Mr. Juan Somavia, who, due to long-standing engagements, unfortunately was unable to be present. She was particularly pleased to attend the 67th Session of the Board, marking the 40th anniversary of the Centre, which she knew well because she had taken part in several of its activities. In the name of the Director-General, she thanked the staff of the Centre, as well as the Government of Italy, the Piedmont region and the City of Turin for their continued support over very many years. The Chairperson hoped that this support, which had been extremely beneficial to the ILO and its constituents, would continue. The Chairperson declared the 67th Session of the Board of the Centre open.

**I. Election of the Vice-Chairpersons
of the Board**
(First item on the agenda)

2. The current composition of the Governing Body of the ILO had been decided upon in June 2005, and the mandate of its members would expire in June 2008. The Chairperson invited the Government group, the Workers' group and the Employers' group to name their respective candidates as Vice-Chairpersons of the Board of the Centre.
3. *The spokesperson for the Employers' group* proposed that Ms. Sasso-Mazzufferi be reconfirmed as Vice-Chairperson of the Board of the Centre. He recalled Ms. Sasso-Mazzufferi's commitment over more than ten years and her contribution to both the work of the Board and the activities of the Centre, and he concluded that the current Vice-Chairperson was the best candidate for the post

4. *The spokesperson for the Workers' group* put forward the candidature of Mr. Sidi Saïd, the General Secretary of the UGTA, Vice-Chairperson of the USTMA, Vice-Chairperson of EUROMED and member of the ILO's Governing Body since 2002, to be Vice-Chairperson of the Board.
5. *The spokesperson for the Government group* put forward the candidature of Ms. Lu, the representative of the Government of China, a country which had given the Government group noteworthy service during the previous mandate, to be the Vice-Chairperson for the group.
6. *The Board* approved the candidates put forward by the Government, Employers' and Workers' groups.
7. *The Chairperson* congratulated the three Vice-Chairpersons and wished them a fruitful mandate. She pointed out that under article 3, paragraph 5, of the Statute of the Centre, the Chairperson, the three Vice-Chairpersons, the representative of the Government of Italy, the representative of the Secretary-General of the United Nations and the Director of the Centre were the Officers of the Board, who "shall be empowered, between sessions of the Board, to deal, in the name of the Board, with any matter which may be referred to them by the Chairman or delegated to them by the Board". She also recalled the decision taken at the 54th Session of the Board of the Centre (1993), which had delegated to the members of the Board "the authority to take decisions in its name each time the Officers consider that it is in the interest of good management of the Centre".
8. *The Board* approved this delegation of powers.

II. Director's report on the activities of the Centre in 2004-05 and perspectives for 2006. Report on the implementation of the programme and budget for the current financial year (2005), and Programme and Budget proposals for the 2006 financial year (Second and third items on the agenda)

9. *The Chairperson* proposed dealing with the second and third items on the agenda and examining the documents concerned together. She invited the representatives of the Piedmont Region and the City of Turin to speak.
10. *Ms. Giovanna Pentenero, Councillor responsible for vocational training*, welcomed the members of the Board on behalf of the President of the Piedmont Region, Ms. Mercedes Bresso. The Piedmont Region had long supported the Centre, to which it had entrusted specific projects. Regional Law No. LR13/2003, which had come into force in 2003, had established the framework for cooperation with the Centre. She pointed out that the projects, in cooperation with the University of Turin, were one of the main vehicles for the internationalization of the region and enabled knowledge and skills to be transferred to developing countries. She expressed her satisfaction with the Centre's activities and assured it that this cooperation with the region would continue.
11. *The Chairperson* thanked the Piedmont Region for its constant support and its commitment to the future.

12. *The representative of the City of Turin, Mr. Tom Dealessandri*, welcomed the members of the Board on behalf of the City of Turin and of the Mayor, Mr. Chiamparino, who regretted he could not attend the Board. He restated the City of Turin's commitment to the Centre and said he was delighted that the works financed by the municipality were proceeding well and had not greatly hampered the Centre's activities. He noted with satisfaction that the City of Turin's renovation of those facilities which had not been refurbished ahead of the Olympic Games had also begun. Together, those works would greatly enhance the capacity of the Centre, which had to meet the challenges of globalization by promoting decent work and social dialogue. The Centre afforded a unique opportunity for training within the framework of international cooperation. The representative of the City of Turin evoked the city's support for post-university programmes and for various Olympic truce initiatives. The municipality had also supported training programmes for Brazilian legal experts on labour, for the Palestinian Authority and for Serbia and Montenegro. He confirmed that the City of Turin would maintain its support for the Centre.
13. *The Chairperson* expressed her gratitude to the City of Turin for its support and wished it well for the 2006 Olympic Winter Games. She invited the Director to present his report.
14. *The Director* introduced the two documents relating to the first and second items on the agenda, together with their annexes, which gave an overview of the Centre's activities and specific results for 2004 and partial ones for 2005. Shadows of uncertainty hung over 2006, a year for which preparation was under way. The figures in the indicators for 2004 were satisfactory and encouraging as regards both the number and the volume of activities. The milestone of 10,000 participants had been reached for the first time in the Centre's history. This bore witness to its growth. Thirteen projects, i.e. more than one a month, had been won by bidding for tenders. Each time the Centre won a project from the European Union, or other bodies, it showed that it was the best on offer in terms of cost and quality. As regards activities, 54 per cent had been held in the countries themselves. The number of training days in Turin had nevertheless remained higher than the number of training days in the field. Distance training accounted for around 8 per cent of activities. There had been a general rise in the number of activities in the different regions, from which Africa was unfortunately excluded. However, a significant number of projects for that region were in preparation and would bring the indicators up. The Director stressed that the rate of participation by women in activities had kept its high level of 40 per cent and that gender activities across the programmes had multiplied. The use of the Central Fund for participation by the social partners in the Centre's activities, created through the generosity of the Government of Italy, had made it possible to bring their participation up to 20 per cent, thereby meeting in advance the target set for the end of the Third Development Plan. In concrete terms, the period that was coming to an end had seen the launching of activities in new fields such as forced labour, freedom of association and child labour, regarding which a plan to cooperate with the unit responsible for it in Geneva had been drawn up. On the question of funding, the Director highlighted the interesting and encouraging trend towards the co-financing of activities by beneficiaries or their institutions. Today, this phenomenon accounted for over US\$5 million and showed that the Centre's training was much sought after. The Director then turned to the matter of campus renovation. He recalled the discussions with the External Auditors and their unease over the possible financial repercussions. Activities had carried on normally despite the works and the shifts they had made necessary. These significant investments by the Italian authorities would equip the Centre with 300 new study-bedrooms and the City of Turin had committed an additional €17 million to refurbish the facilities that had not been renovated for the Games. In all, that made €40 million being invested in the campus by the Italian authorities, who were thus equipping the Centre with an excellent tool that it would have to take care to use well. The Director stressed that measures had also been taken to ensure that the Centre's facilities met safety standards. A video-surveillance system was going to be installed. The

Director went on to inform the Board that the year 2005 would end with a good financial balance, reflecting results that were even slightly better than those for 2004. In contrast, 2006 raised certain questions. The foreseen budget of US\$48 million, a sum that illustrated the significance of the Centre's activities, had been hard to prepare because the regular contributions had not increased. Italy had not been able to compensate for the effects of inflation over the last four years, which meant that around 10 per cent of the purchasing power meant that the regular budget had accounted for 22 per cent of the budget. Given that situation, it had been necessary to cut fixed costs, regular posts and recruitment even further. In addition, in the proposed budget, it had been necessary to count on a significant rise in activities from US\$31 to US\$33 million. But it would be difficult to continue along that path. The Director then pointed out that, between 1990 and 2004, activities had multiplied fivefold, the number of participants had multiplied sevenfold and turnover had risen by 80 per cent. Whereas in 1990, the Centre had had 23 administrative and management posts, it had nine today. It had had 24 training support posts as against 15 today; six translation posts as against three today. The medical service comprised five people then, but only two today. During that period, the staff on the regular budget had not risen at all. In 1990, more than half the staff worked in administration or management. Today, two-thirds of the staff were in training and one-third in support services. The Centre had therefore now reached the limits of cost cutting. An increase in activities would not be easy to achieve because the workload had become very heavy. The proposed budget included a foreseen deficit of US\$240,000, which it should be possible to overcome in 2006 thanks to the exceptional income generated by full bedroom occupation during the Olympic Games in January-February 2006, normally a period with few activities. But the Director insisted on drawing the Board's attention to the fact that this income was exceptional and would not be available the following years. The situation therefore called for great vigilance. From 2007 on, the situation was problematic, and would be even more so if the cuts in Italian development cooperation were to affect the Centre. The year 2006 should therefore be used to design and set up ways to deal with those problems. It would not be easy.

15. *The representative of the External Auditor* expressed his pleasure at being at the Centre once more and stated that, after rigorous independent examination, the audit had revealed no major weaknesses or errors and that the accounts had received an unqualified opinion. Concerning the financial position of the Centre, he went on to say that revenue of the Centre was 22 per cent higher than the budget, with a corresponding increase in expenses, that the operating and financial surplus amounted to US\$1.4 million and that the overall financial situation of the Centre was sound, with large reserves. He then stated that he had recommended that the Centre review the level of those reserves and consider the use of the euro rather than the US dollar as its reporting currency, to avoid the effect of exchange rate fluctuations. He recommended that the Centre update its Financial Regulations and review its investment arrangements so as to secure the best return on funds invested. He then brought to the Board's attention the importance of governance to public sector organizations in view of the challenges currently faced by the United Nations system. He explained the importance of internal audits as a safeguard against lapses in internal control or inadequacies, and regretted the absence of this function, normally provided by the ILO, at the Centre. He advised on the improvement of the Centre's risk management, and stated that governance could be improved by establishing a register for recording potential conflicts of interest and a register of gifts and hospitality received from suppliers or key stakeholders. His review of the training activities led him to recommend the establishment of clearer financial targets and reporting of performance against them; that the Centre should gain a better knowledge of its costs and compare them with competitors; and that the Centre attempt to make better use of its facilities in January and February. He went on to encourage the Centre to establish specific indicators with which to measure and report on the quality and impact of training. Finally, before thanking the Director and the staff of the Centre for their cooperation during the audit, he stated that governance and effective

accountability would be improved if the Centre reported to the Board on action taken on his recommendations.

16. *The Employer Vice-Chairperson, Ms. Sasso-Mazzufferi*, thanked the Director of the Centre and the External Auditors for their reports. She was pleased that the Chair was held by Ms. O'Donovan, and thanked the Employers' group for the trust they had shown by nominating her. She also thanked the Director of the Centre and his team for having drawn up documents that were both clear and complete. She was pleased with the significant level of activities in 2004 and with the number of projects in cooperation with the European Union. She was in favour of using distance training, which made it possible for participants to prepare better before a course and to receive better follow-up after training. Still referring to 2004, she noted that although the predominance of training in the field (54 per cent as against 38 per cent on the campus) had the advantage of allowing the local context to be taken into consideration, it was nevertheless desirable to ensure a more stable and balanced use of the campus facilities in the future. Moreover, the Employer Vice-Chairperson was worried by the fact that the volume of activities had not risen in Africa, unlike the other regions. She insisted that the reasons given were insufficient. She therefore wished to see involvement refocused on Africa and strengthened, as foreseen for 2005 with the number of African participants passing the 1,000 mark. She asked the Director for clarification on the activities held in 2005. Concerning the distribution of participants by region, the Employer Vice-Chairperson said that it was worth giving special attention to Asia and the Caribbean. She would like to see the positive results achieved for China extended to other countries, and welcomed the fact that some of those considered to be the poor countries (Angola, Nigeria, United Republic of Tanzania) had called on the Centre to meet their training needs. In addition, she encouraged the Centre to continue its efforts to promote participation by women in its training activities (40 per cent). Training women in fields such as self-employment, enterprise and small and medium-sized business development would make it possible to obtain tangible results in reducing female poverty. As regards the Centre's sources of finance (table 4, paragraph 28, and chart C), the Employers' group would like to identify the constraints and challenges that the Centre faced when it dealt with new funding bodies. In this context, she noted with satisfaction that 13 new projects had been won by bidding for tenders. She would like to know from the Director how the Centre had answered the organizations that had formulated their training needs, and what the constraints were in terms of diversifying sources of funds. Regarding the technical programmes, she noted with satisfaction that the Central Fund had made it possible for the social partners to participate in the Centre's programmes. However, she would like those bursaries to be devoted to the priority needs of employers, namely business development, entrepreneurship development and skills enhancement. She also welcomed the publication of a manual in three languages, and the holding of a seminar in Panama in 2006, on the ILO monitoring system. She pointed out that freedom of association and tripartite dialogue were the priority areas of training in the region. Regarding small and medium-sized enterprise development, she thanked the Centre for the support provided in producing a "Toolkit" and for organizing important meetings in Africa, Europe and, in the near future, in New Delhi. Likewise, she recommended giving women's entrepreneurship pride of place in enterprise development programmes. Concerning the transition period that the Programme for Employers' Activities (EMPACT) was currently going through, she wanted to thank the team warmly for the work it had done, and she also placed a great deal of hope in the appointment of the new chief. The positive results of the European Social Funds Project Unit reflected the Centre's vitality, international competitiveness and negotiating skill. Next, in spotlighting the important projects funded by the European Union announced for the countries of Central and Eastern Europe, she hoped that the social partners would receive a response adapted to their needs. The Employers' group also wanted better coordination and joint efforts by the Centre and the other organizations that operated in the context of the Stability Pact. More specifically, she recommended looking into action on subjects like social dialogue, HIV/AIDS and

capacity building, especially within the framework of an aid programme for the social partners in ACP countries set up by the European Commission. The Employer Vice-Chairperson noted that many international officials had received training by the Centre in 2004, and strongly encouraged the ILO to use the Centre to meet its training needs and to implement its technical cooperation programmes. She recommended diversifying the languages in which courses were held, and welcomed the extension of the activities of the EMPACT to French-speaking Africa. Concerning the evaluation of the Centre's activities, she deemed the questionnaire used by the Centre to be an element of primary importance. Ms. Sasso-Mazzufferi wanted the Centre to continue on the same path in 2005. She thought it was risky for the Centre to try to launch itself into areas such as the application of all of the recommendations of the World Commission or the attainment of all of the Millennium Development Goals. She recommended that the Centre concentrate on areas in which it could have a real impact. The Employer Vice-Chairperson noted with interest the creation of a general system of competences at the Centre whose effectiveness depended on active participation by the staff. Similarly, she welcomed the setting up of a reliable database for forward-looking staff management, especially as regards retirements. She thanked the City of Turin, the Piedmont Region and the Government of Italy warmly for the effort they had put into renovating and restructuring the Centre's facilities. She pointed out that from 20 December 2005 to 1 March 2006, the Centre would have to implement its activities in the field, while the offices remained open. On behalf of the Employers' group, she thanked the City of Turin once more for its supplementary allocation for renovating the pavilions excluded from the Olympic Games intervention framework. Although she welcomed the balanced budget achieved in 2004 and, more specifically, the 29 per cent rise in income from training activities, Ms. Sasso-Mazzufferi, like the External Auditor, regretted the amount of dubious debts. She thanked the Government of Italy, the Government of France and the Piedmont Region for making voluntary contributions to the Centre. She regretted that the ILO's contribution was not higher. She again insisted on the need for the ILO's technical cooperation programmes to include a training component that would be handled in conjunction with the Centre. The Employer Vice-Chairperson went on to examine the External Auditor's report. She noted with satisfaction that all the recommendations made in the previous year's report had been accepted. The Employers' group was aware of what the Centre had done, especially in terms of better governance, risk evaluation, better use of the Centre's facilities in the first quarter of the year, the evaluation of training activities and the timely closure of accounts despite the difficulties encountered. The Employers' group saw as important the recommendations on the process of authorizing expenditure, which could be further improved. She also approved the recommendations on adopting accountancy in euros to counter the fluctuation of the US dollar. The Employer Vice-Chairperson reminded the Board that the Centre's main objective, guided by the principles laid down in the Preamble to the Constitution of the ILO and in the Philadelphia Declaration, was the promotion of training activities in the service of economic and social development. For the Employers' group, the Centre was the operational arm of the ILO for training, and should pursue its strategy of alignment. The Employers' group wanted the Centre to meet the needs of its constituents by operating within the framework of the ILO mandate and not outside it. Those considerations should be taken into account when negotiating with donors. As regards the year 2005, she noted with satisfaction that the budget forecast was for balance or a slight surplus. Paragraphs 4 and 6 of document CC67/3 gave a clear view of voluntary contributions and income, which was rising. In this context, she thanked the Walloon region, which had rejoined the group of countries that made a voluntary contribution to the Centre. The Employers' group approved the budget proposal for 2006 and declared it was confident that the Centre would overcome its difficulties. Special attention and vigilance would be necessary for the year 2007. In conclusion, the Employer Vice-Chairperson noted with satisfaction that the documents submitted to the Board confirmed the Centre's dynamism and its ability to win tenders in a competitive market. She said that the Centre was a tool of the ILO that could add to its value to its constituents. She nonetheless asked what place the Centre had in ILO

policy. An answer to that question was essential, which was why the Employers' group formally asked the ILO to draw up a document clarifying the guidelines and action it intended to propose for the future of the Centre, especially its integration into the ILO. The Employer Vice-Chairperson declared herself confident that the ILO would provide a clear, exhaustive answer.

17. *The Worker Vice-Chairperson* wished to welcome the Chairperson. Since the Director-General of the ILO was again absent, he asked the Chairperson to pass on to him the Workers' group's wish that the ILO become fully aware of the strategic importance of education and training and of the role which the Centre should play in that area. The Worker Vice-Chairperson recalled his group's many initiatives and the proposals submitted to the Director-General on promoting both strategic and financial integration between the Centre and the ILO. The Centre was, in effect, a privileged instrument for bringing out the social dimension of globalization and the Decent Work Agenda. In many areas, the Centre was not integrated with the ILO. Greater synergy was called for, as was greater participation by the Office in the design and implementation of its activities, and a heightened presence of its experts. Moreover, it was important for the Centre to come into the ILO's multilateral funding system to avoid having to search for other sponsors and thus risk compromising its independence, as the Auditor had specified in paragraph 42 of his report, where he had noted that the ILO's share of sources of funding for the Centre's activities only stood at 18 per cent. The Worker Vice-Chairperson said that he had made several requests for greater integration, and deplored the fact that they had not yet been met. The missions and the means that the ILO entrusted to its Centre should be made very clear. It would be harmful not to do so for it would prevent the Centre's development from being seen from an integrated perspective. His group's position was not pessimistic, quite the opposite, but it was urgent to make that examination while realizing that the ILO was not alone responsible for the situation, which also involved other components of the Organization such as the ILO Governing Body. He further stated that the Board of the Centre, which, moreover, only met once a year, should give his group's position and recommendations on the subject serious attention. For a start, that position reflected the Workers' group's undeniable commitment on that issue. Faced with a rebuttal, the group could easily adapt itself and, in its union tradition, take a very different attitude. Lastly, on this point, it was worth drawing the Director-General's attention once again to the fact that the Centre was a key element in implementing the strategy and objectives pursued by the ILO. The Worker Vice-Chairperson thanked the representative of the City of Turin, Mr. Dealessandri, Councillor with responsibility for labour, for the continuous support for the Centre and for the modernization of the campus facilities, and expressed his appreciation of the efforts by the Government of Italy to equip the Centre with modern infrastructure. As regards document CC67/2, he noted the rise in the number of activities and participants in 2004, but stressed that it was imperative for the report also to contain qualitative indicators that reflected course content and the subjects covered by training. As regards the choice of Worker representatives, the Worker Vice-Chairperson urged the Director of the Centre to use the Workers' group secretariat as a channel, including for training courses held in the field. In addition, he was uneasy at the trend to run courses that did not cover trade union organizations, and at the very low participation by trade union representatives in certain courses, which perpetuated the lack of recognition of the important role played by trade unions in economic and social development. The Worker Vice-Chairperson went on to state the need to refocus the Centre's activities on the strategic objectives, pointing out that 48 per cent of the Centre's activities had been held in sectors related to decent work, whereas in 2003 that figure had stood at 52 per cent. The Worker Vice-Chairperson regretted that the Third Plan had not redressed the imbalance between the sectors. The Fourth Development Plan did not resolutely set the Centre on that path, and therefore proposed launching a debate during this Board on revising the proportion allocated to the four strategic sectors. It would have been desirable for the Centre to distribute training activities according to the decent work strategic objectives. He

declared that the introduction of international labour standards into the Centre's activities conveyed a comparative advantage that should be systematically exploited to encourage greater respect for ILO standards and to encourage the ratification of Conventions. Furthermore, he strongly wished to see a joint management training committee set up with the specific aim of sharing ideas and discussing joint concerns regarding the development of bipartite training activities. The Worker Vice-Chairperson highlighted the importance of the DELTA programme and asked for measures to guarantee its implementation and follow-up. In general terms, he thanked the technical and regional programmes for their support for the Workers' Activities Programme, and also, especially, the Centre's Management Information Systems (MIS) department for its cooperation with the Workers' Activities Programme on the development of distance training networks for trade union organizations. The Worker Vice-Chairperson wanted information from the Director on the measures that would be taken to ensure the regular functioning of the regional programmes for Africa and for Asia and the Pacific, whose chief had retired. He also wanted to see a regular post for the Europe region created within the Workers' Activities Programme to meet the growing demand for training by the countries of central and eastern Europe. Referring to paragraphs 197-199, he said he disagreed with reforming the process for awarding certificates and diplomas. These were a source of pride for participants, and he asked that the current system be kept. He noted the low rate of participation by trade union representatives in the advanced study programmes which the Centre ran with the University of Turin. He proposed that trade unionists be enabled to take those university courses by basing the acceptance criteria on competences and not on advanced study diplomas. He wanted the Workers' group to be consulted on the development of the master's programmes on occupational safety and health and on international labour law envisaged in the Fourth Development Plan. He thanked the Government of Italy for its financial support for the Workers' Activities Programme. The Worker Vice-Chairperson reiterated certain points raised by the Workers' group in the past and hoped that these requests would be taken into account. He hoped that the Director's report would include tables showing the number of bipartite and tripartite activities, the percentage of worker participation, the percentage of participation by representatives of the social partners in technical programmes, a qualitative indicator that made it easier to monitor and assess the treatment of issues fundamental to the ILO, figures broken down by region and by technical area on the projects financed by the Centre, a full list of the projects won by tendering and the impact of those projects on the social partners. Furthermore, he wanted to see a committee set up to select tenders in order to choose projects related to the ILO, and the inclusion of representatives of local Italian trade unions in the list of members of the Board. The Worker Vice-Chairperson then turned to document CC67/2/Add.1. As in the past, he underlined the importance of setting out a policy of progressively integrating the Professional staff of the Centre with Geneva. He added that the ILO and the Turin Centre should be considered as a single body. Accordingly, movement of staff and all the experience acquired at the Turin Centre should be made full use of to develop staff careers. The Worker Vice-Chairperson asked the Turin Centre to implement a staff policy that both enabled staff to develop their skills and their career development prospects, and ensured an appropriate gender and geographic balance. He asked, lastly, for succession planning regarding fixed-term project-linked staff to be drawn up in order to improve the situation of staff at the Centre. Referring to document CC67/2/Add.2, the Worker Vice-Chairperson took note of the good progress and high quality of the works on the campus. He thanked the Italian authorities for enabling the campus to be renovated. However, he recommended that additional efforts be made to render pavilions 1 and 2 accessible to people with disabilities. The Worker Vice-Chairperson approved a certain number of the points in document CC67/2/Add.3. In the light of the Auditor's report on the year 2004, he congratulated the financial service staff for succeeding in closing the accounts on time despite the retirement of the Chief Accountant and the absence of the Treasurer at the beginning of 2005. On the other hand, he regretted that, because of a lack of consultation with the staff concerned and with the Union, the reorganization of the financial services in

2003-04 had not led to better use of staff potential existing within the financial service. He requested training for financial service staff to upgrade their skills and further their career development. He noted the recommendations (Nos. 12 and 13) connected with the section on transparency and staff conduct. As regards document CC67/3, the Worker Vice-Chairperson had taken in the report on implementation of the 2005 programme and, in particular, the budget proposals for 2006. He approved the decision proposed in paragraph 17 on condition that, for 2006, the Director kept the same number of D.1 and D.2 posts that had been approved in the 2004-05 budget.

18. *Mr. Blondel (Worker, France)* wished to add to what the Worker Vice-Chairperson had said. The Worker members of the ILO Governing Body present had often looked into the question of the relationship between the ILO and the Turin Centre. Forty years was a watershed for the Centre. Its funding currently depended too much on outside donors. It was therefore necessary to increase direct participation by the ILO, through its regular budget and the technical cooperation budget. This request had been made many times, both by the Employers and by the Workers, and by certain Governments, yet no answer had been forthcoming. He demanded that the Director-General reply. The question should go before the Programme, Financial and Administrative Committee of the Governing Body, as well as to a plenary session of the Governing Body. It was a vital question that had to be answered.
19. *The representative of the Government of Italy*, on behalf of his Government, thanked the Director, the Deputy Director and the staff of the Centre for the quality of the work they had accomplished, taking into account its mission and its budget constraints, which limited the formulation of its activities and reduced its freedom of action. The budget constraints had been much referred to during the session. They meant the Centre had to seek external funding. The fact that the European Union wanted the Centre to run activities that followed up the conclusions of the May 2005 Forum on the Social and Employment Dimensions of Globalization was significant. The increase in Chinese participants was also to be appreciated, because it reflected new dynamics and the importance which that country was coming to have on the international scene. He hoped that the Centre would be very attentive to the question of development on the African continent, following the example and the initiatives of the World Bank under its new President and of the European Union. The Centre had made progress, both within Geneva and independently of it, but its dynamics had not been given enough support by the ILO. As the representative of the Government of Italy, he pointed out that Italy funded 38 per cent of the Centre's total activities, whereas the ILO's share was 18 per cent. Looking at the programmes in detail, he noted that, apart from Management of Development, most programmes were co-financed by Italy. This form of co-financing had a multiplier effect because it made it possible to generate other funds, but there was no guarantee that the Government of Italy could play that role indefinitely. He acknowledged that the Centre's strategy of involving other international organizations in its activities was a good one. The Centre had a role to play within the United Nations system and among the Bretton Woods institutions. A working party had laid down guidelines for the Centre to take part in implementing the ILO's different programmes. His Government expected to see those recommendations taken up. He noted that if the Centre could draw on the research and products developed by the ILO, it would be able to cut significantly the cost of developing and running its own programmes. Turning next to the question of the budget problems recently faced by the Government of Italy, in the context of the criteria laid down by the Stability Pact, he wished to state that despite the cuts the Italian budget envisaged for all the ministries, including the Ministry of Foreign Affairs, which funded international organizations, no specific decision had yet been taken. While confirming the commitments and the financial support already allocated by Italy to the Centre, his estimate was that the economy measures that would be taken as part of the budget would not have any notable impact on the Centre. He then underlined the importance he gave to the activities planned by the

Centre on project evaluation. The ILO Training Centre in Turin, with the agreement of the United Nations system, should devise programmes on training evaluation and the associated methodology. Lastly, the representative of the Government of Italy expressed his personal thanks to the staff and experts of the Centre for the work they had accomplished.

20. *The spokesperson for the Africa group* thanked the Chairperson and the Director of the Centre for the welcome she had received and congratulated them on the preparations made to ensure the success of the Board meeting. The Africa group congratulated the Centre on the excellence of the documents prepared for the 67th Session of the Board, but regretted having received them too late to be able to study them in depth. With regard to document CC67/5a, the spokesperson expressed satisfaction at the consistency of the three Development Plans and in particular the efforts made to align the Centre's activities with the ILO's programmes, the development of training materials and the renovation of the Centre's infrastructure. She referred to the quality of the training materials produced by Messrs. Cairola and Chiarabini relating to the fundamental principles, the right to work and forced labour, congratulating the Centre and recommending that it continue its efforts to produce quality material in keeping with the strategic objectives and decent work. She urged the Centre to ensure that training opportunities were shared fairly, and in particular that Africa was not neglected. The spokesperson was pleased that regular courses were held on the campus in Turin, but proposed that the Centre and the ILO send missions to Africa to determine training needs and set up national and regional training activities at a reasonable cost. She noted with satisfaction that the gender dimension was well integrated into the Centre's activities and testified to the fact that many constituents had received and were receiving quality training in this field. The web site bore witness to the Centre's commitment in this area, but she begged the Centre not to neglect more traditional means of communication. The spokesperson expressed gratitude for the technical assistance received from the Centre in respect of distance learning. She hoped that many bursaries would be available for on-campus activities. She encouraged the Centre to diversify its sources of income in order to guarantee its autonomy.
21. *Mr. Anand (Employer, India)* noted with satisfaction the large number of activities organized, notwithstanding constraints. In India, the Centre's 40th anniversary was an important event. He reiterated the importance ascribed by the Employers' group to evaluation of the Centre's activities, and hoped that the Centre would look resolutely towards the future.
22. *The representative of the Government of Nigeria* expressed satisfaction at the favourable way in which the Director's report had been received and congratulated the Chairperson and Vice-Chairpersons on their election. She echoed the declaration made by the Government of Kenya in the name of the Africa group. She supported the Director's report and, in particular, the activities performed by the technical programmes. She noted that the general indicators were positive, in particular the increase in the volume of activities, with the exception of the Africa region, for which she would like to have more information. She wondered if future projects would be designed to meet the needs of the region. She pointed out that it was important to involve governments and the social partners in order to maximize their impact. She stressed the importance of capacity building and skills development programmes in targeted sectors, such as public infrastructure and social services, to complement government efforts. She recommended the development of bilateral activities in the region. She particularly valued the programme devoted to social dialogue and hoped that its activities would be strengthened. She was grateful for the advantages her country derived from participating in many of the Centre's activities. For the future, she recommended the development of activities to train trainers of labour experts and ministry officials, regional activities in partnership with local institutions, the strengthening of institutional cooperation with universities, further development of

distance learning, and an increase in training courses in social dialogue. She hoped that the training programmes for judges and lawyers working in the area of labour law would be an integral part of the Centre's programme. Where the Auditor's report was concerned, she noted with satisfaction that the management had implemented all the recommendations contained in the report. She stressed the importance of recommendations 1, 3, 4 and 5 on the adoption of international accounting standards. She wondered how recommendation 24 could be put into effect. She concluded by congratulating the Director on the 2006 programme for the Africa region referred to on page 50, and expressed her thanks to the Italian authorities for hosting and supporting the Centre, and to the European Union for granting funding.

- 23.** *The representative of the Government of Argentina* thanked the participants for the fruitful work of the present session of the Board and passed on to them the congratulations of Mr. Carlos Tomada, Chairperson of the Board of Management of the ILO, who was taking part in the Summit of the Americas in Mar del Plata with the Director-General, Mr. Juan Somavia. She mentioned that Mr. Tomada had taken part in and benefited from the Centre's training programmes and bore witness to the quality of the training the Centre delivered. She wanted to make a few comments on the highly detailed documents submitted by the Director. Regarding document CC67/2, paragraph 155, detailing the activities of the Americas region in relation to the other regions in 2005, she pointed out a deficit in Spanish-language courses. She was pleased that the participation of Latin Americans had increased over the years, but noted that their participation was essentially in distance learning. Few of the Centre's courses were delivered in Spanish. She stated that it was important to use simultaneous interpretation to increase the participation rate, emphasizing that this was not a demand but a suggestion on how best to allocate resources. Few training courses were run for Latin America, because of the distance and a lack of resources, and she hoped it would be possible to increase the involvement of specialists and workers from the region. She added that Spanish had the same rights as English and French. She ended by thanking the Centre for the significant opportunities provided for her region.
- 24.** *Mr. M'Kaissi (Employer, Tunisia)* supported the Employer Vice-Chairperson's declaration and offered his congratulations to the Director of the Centre, and to all his colleagues, on the preparation of the documents submitted to the Board. He noted with satisfaction that the renovation of the campus was going ahead as planned, insisting that it was now time to study and plan for the best possible use of the Centre's new facilities. The Centre's activities also needed to increase on the ground, particularly in Africa, where enterprises needed more support in facing up to the challenges of globalization and its effects on the economy and employment. He also hoped that the Centre would continue to inculcate an enterprise culture in young participants, by providing training to encourage the establishment of SMEs and self-employment. He thanked the Centre for its programme of activities for women, promoting female entrepreneurship. It was necessary to strengthen the programmes devoted to social dialogue, particularly in Africa and developing countries generally, as a key factor in business competitiveness, job creation and preservation, social harmony, and economic and political stability. He urged closer coordination with the IOE and ACT/EMP to achieve a strategy based on mutual support rather than competition. Finally, he expressed the hope that the Employers' Activities Programme would soon be fulfilling its proper role once again, while thanking the present Employers' Activities Programme team for all the work they had done. In conclusion, he reiterated his thanks to the Italian Government, the Piedmont region and the City of Turin, as well as to the French Government, the European Union and all other donors for their constant financial support, while calling on other governments to make a more substantial financial contribution. Finally, he thanked the Director of the Centre and all the Centre staff for the work they had done.

25. *The representative of the Government of France* thanked the Director and his team for the quality of the documents submitted to the Board, which set out the main achievements of the Centre in 2004-05 and plans for 2006. She expressed satisfaction at the upward trend in the volume of activities, which had been sustained over several years. This reflected the Centre's ability to mobilize new sources of funding – particularly by tendering for European Union contracts – and to meet constituents' needs and demands for linguistic diversification. She then emphasized the Centre's ability to develop activities, both bringing together participants from different regions and offering made-to-measure programmes for specific audiences. She pointed out, however, that there had been no increase in the volume of Africa region activities. She hoped to see a strengthening of the ILO's contribution to the regular functioning of the Centre, which was a tool for disseminating the strategic objectives of the ILO and the ILO Decent Work Agenda. France also wanted to encourage cooperation between the ILO and the Centre on issues of concern to the international community, such as globalization, enterprise development, migration, and social dialogue linking gender equality with collective bargaining. Finally, where the Centre's plans for 2006 were concerned, the representative of the Government of France recommended continuation of the activities of 2005, particularly application of the recommendations of the report on the social dimension of globalization.
26. *The representative of the Government of Germany* thanked the Director for his excellent report and the Auditors for the pertinence of their recommendations. She also thanked the Office for the overview of the Centre's activities. On the basis of document CC67/2, the representative of the Government of Germany expressed satisfaction at the increase in the number of participants and their representative geographical spread. She thought it remarkable that the proportion of women taking part in training activities on enterprise development had risen to 56 per cent. She noted that the document demonstrated the Centre's commitment to issues central to the strategic objectives of the ILO, such as migration, health and safety in the workplace, social and employment issues under a free-trade regime, and trafficking in human beings. She hoped that more resources would be allocated to promoting participation by the social partners. The representative of the Government of Germany was pleased with the progress made in renovating the Centre, which could only enhance its visibility. She hoped nevertheless that these new facilities would not lead to an increase in the costs of training, which she thought were already too high, and might result in a drop in the number of participants. She noted that the rapid increase in distance learning activities might also increase costs, and asked the Director for clarification of the Centre's strategy for maximizing use of its facilities. The representative of the Government of Germany also asked for information regarding progress on evaluating the impact of the Centre's activities. She then referred to the Auditor's report, of which she had a high opinion, advocating a careful reading of its recommendations. She emphasized the importance of recommendation 8, on the use of non-utilized resources, and recommendation 18, on managing the running costs of the Centre, which she thought were too high. It was, however, recommendation 15, on aligning the Centre's activities with its strategic objectives, which she reckoned to be the most important. She recommended that the Centre should concentrate on its objectives when trying to diversify its sources of income. This was because the Centre had a fundamental role to play in bringing the ILO closer to its constituents.
27. *The representative of the Government of Brazil* congratulated the Vice-Chairpersons on their election and thanked the Director of the Centre and his team for the excellent report they had submitted to the Board. He was pleased that in 2004 the Centre had maintained the upward trend in Brazilian participation, making up for the decrease noted in 2002, and that the trend also applied to participants from Latin America and the Caribbean. Similarly, he also expressed pleasure at the number of activities delivered in Portuguese, and encouraged the Centre to maintain its efforts in this direction. Finally, he stressed the potential importance of distance learning and expressed satisfaction at the Centre's making

it a priority. He advocated more interaction between the ILO and the Centre. Finally, he was pleased to note that the restructuring works had not hindered the Centre's activities.

28. *Mr. de Arbeloa (Employer, Venezuela)* congratulated the new members of the Board on their election. He emphasized the quality of the Centre's services, despite the difficulties caused by a lack of financial support from Geneva. He deplored the absence of the Director-General, pointing out that the dates of Board meetings were fixed long in advance. He thanked the interim coordinator of the Employers' Activities Programme for his efforts but was critical of the delay in appointing a replacement, which was prejudicial to the work of the Programme. He congratulated the Director and his colleagues on the quality of the Director's report and noted with satisfaction the increase in the number of participants, particularly from his region. However, he observed that some poor countries, such as Haiti, deserved to be fully supported by the Centre and the ILO in their reconstruction efforts. To provide maximum training opportunities for the poorest and remotest countries, the Centre should make intensive use of its structures, which would also make for a greater exchange of experience between participants of different origins. Mr. de Arbeloa recommended that the Centre and the ILO strengthen their programmes in such fundamental areas as capacity building for employers' organizations and workers' organizations, emphasizing that free and independent organizations guaranteed social harmony and, in the final analysis, the alleviation of poverty. He recommended that the Centre make use of regional organizations such as CINTERFOR as intermediaries for promoting its work. He thanked the Italian Government for its financial support and proposed that a commemorative plaque be erected in honour of that country to mark the 40th anniversary of the Centre.
29. *The representative of the Government of South Africa* congratulated the Chairperson on his election and the Africa group on the pertinence of its remarks, and thanked the Italian Government for supporting the Centre. He also thanked the Auditor for his uncompromising report. He expressed satisfaction that the development of the capacities of the ILO's constituents, and particularly its African constituents, was at the heart of the Centre's mandate. He expressed concern at the sudden fall in the volume of operations on behalf of Africa, and said he would like further information on that subject. In addition, as a new member of the Board, he would have liked to receive more information about the Centre and suggested setting up a group to consider the issue of geographical coverage or the way in which training needs were determined. He nevertheless fully acknowledged the quality of the Centre's work.
30. *The representative of the Government of Honduras* congratulated the Director of the Centre and his staff on the excellent work done over the last 40 years, and took the opportunity to wish the Centre long and continuing success in its activities. He then praised the quality of the documents submitted to the Board. He was delighted to see that the issue of labour migration had been included in the report. He also observed that the need to avoid discrimination in the workplace had been covered, particularly in the case of persons with HIV/AIDS. The Centre could play a vital role in helping train constituents better. He praised the quality of the documents submitted by the Auditor and was pleased that the Centre had accepted most of the recommendations contained in this report. The recommendation regarding the alignment of the Centre's activities with the ILO's strategic objectives would have to be examined in detail, but should not be allowed to interfere with the activities and dynamism of the Centre. He joined with the representative of Argentina in expressing his satisfaction at the large number of participants from Latin America, and encouraged the Centre to keep up the effort. Given the constraints on resources, it might be advisable to develop distance learning in Latin America in particular, taking into account opportunities to cooperate with local institutions and universities in the region.

31. *The representative of the Government of Barbados* congratulated the Director and staff of the Centre on the quality of their work, which was very appropriate to the needs of the ILO's constituents, and for having involved them in it. She also stressed the link between these activities and the strengthening of international labour standards. She congratulated the Vice-Chairpersons on their election and thanked all the donor agencies for their support and commitment, which had enabled some of the poorest countries to benefit from the Centre's training programmes. She thanked the Italian Government for its ongoing support for the Centre and hoped that that the ILO would also increase its involvement. The Centre should also approach private sponsors in order to broaden its sources of funding. She then called for greater cooperation in favour of the countries of the Caribbean and supported the request of Honduras for more cooperation at the regional level. Often the economic situation in those countries prevented them from covering the costs of the training courses offered by Turin. She encouraged the Centre to pursue its training programmes in accordance with the subjects chosen for 2006: standards, social protection, social dialogue, the development of small and medium-sized enterprises, health and safety in the workplace and labour administration. Finally, she ascribed great importance to the issue of evaluation, as this made it possible to measure the impact of training courses, brought to light strengths and weaknesses, and was a useful tool for planning and improving activities.
32. *Mr. Lambert (Employer, United Kingdom)* wanted to comment on the Auditor's recommendations. He was pleased to hear of the consolidation of the United Nations pension fund. He supported the proposal to introduce international accounting standards, referred to in paragraph 6 of the Auditor's report. He approved the Auditor's suggestion that the euro be adopted as the currency used for accounting purposes. He noted that an internal audit, fundamental to the management of the Centre, had not been performed in recent years and hoped that this situation would soon be remedied. He pointed out that, to achieve better control of the Centre's spending policy, it was desirable to carry out a study comparing the Centre with its main competitors. Finally, with reference to paragraph 12 of the Auditor's report, he stressed the importance of the Board's drawing up quality indicators so as to preserve the Centre's reputation for excellence.
33. *The representative of the Government of China* thanked the members of the Board for electing China as Government Vice-Chairperson of the Board of the Centre. Although this was the first time she had taken part in the work of the Board, she was already familiar with the Centre, having benefited from its training courses. She stressed the excellence of the document submitted to the Board and the clarity of the tables. She mentioned the importance of close links between the Centre and the ILO for technical cooperation activities. The Centre was a unique institution on account of its mandate, and could be better used. She noted the need for more information as far as evaluation and quality of training are concerned and echoed the former speaker's remarks on that subject. She also noted the Centre's income in 2004, which is less than that of 2003. She expressed satisfaction at the considerable financial contributions made by donor agencies. She insisted on the importance of constituents, member States and social partners in financing the activities of the Centre. She mentioned that cost-sharing provided an opportunity for China to become involved in those activities. She concluded by congratulating the Centre on its ability to adapt to change in the modern world.
34. *The representative of the Government of Spain* apologized for his absence from the first session. He supported the remarks made by the representative of the Government of Germany. He thought that the Centre's Board meeting should take place in the first half of the year, not the second, for practical reasons and to ensure greater effectiveness. He shared the opinion of Mr. de Arbeloa on the absence of the Director-General, who symbolized the link between the Centre and the ILO. He congratulated the Director of the Centre and his colleagues on the activities held in 2004, which consistently and realistically reflected the current needs of the world of work. However, like the

representative of South Africa, he deplored the reduction in the African continent's participation in its activities. He understood the logical explanation of this phenomenon, but hoped that it would be remedied. He emphasized the importance of the link between the social and economic dimensions, and mentioned what Mr. Maertens had said on this issue. He thanked the Centre for including the issue of migration in its programme. Finally, he mentioned that in February the Centre would be transformed into a communications centre for the Olympic Winter Games, which was an opportunity for making it known to thousands of journalists. He suggested that an information brochure featuring the Centre be put in their rooms. He concluded by wishing success to the City of Turin, Italy and the Centre.

35. *The representative of the Government of Kenya* congratulated the Centre on the relevance of its programmes. She asked to what extent tripartism found concrete application in the design of these training courses. She thought it was desirable to involve the social partners in the design of training programmes, involving the University of Turin for example. Similarly, some member States had their own training institutes, which could work in parallel with the Centre. She mentioned the post-graduate training programme featured in paragraphs 48-49 of the Director's report: its length of 29 weeks, though excellent in itself, might discriminate against some governments.
36. *The Director* said he was grateful to the members of the Board for the richness of the debate and for their expressions of satisfaction. It was very encouraging for his colleagues and himself that the Board members appreciated the progress made and the usefulness of the Centre to constituents. All suggestions for further improvements were welcome and, with this in mind, the annual report of the External Auditors contributed to the ongoing improvement in the way the Centre operated. The Director explained that each year, when the Board was over, a list of the Auditor's recommendations was drawn up; each recommendation was transmitted to the persons responsible to be followed up, and how it was dealt with was carefully monitored. He noted with satisfaction that the Auditors had stated that the recommendations from the previous year had been adopted. Where the recommendations for the present year were concerned, he said he had been convinced for a long time that, as the Auditors had recommended, it was necessary to move from the US dollar to the euro for accounting purposes. More than 80 per cent of the Centre's income and expenses were in euros. According to a well-established management principle, if more than 60 per cent of operations were performed in a given currency, that currency should be used as the accounting unit. This would obviate, to a large extent, the exchange-rate risks weighing on the management of the Centre. In 2000, for example, losses due to unfavourable rates of exchange amounted to US\$694,000. The Legal Department had been consulted and pointed out that in 1946 the General Assembly of the United Nations had recommended the use, for accounting purposes, of the currency most used in financial transactions. The changes that needed to be made to the Financial Rules had been identified. The move to the euro would be technically possible when the Centre had adopted a more advanced version of its computer software. This proposal would have to be submitted to the Board in 2006 for a decision, as it involved a major investment as part of the 2007-11 Development Plan. Where internal auditing was concerned, the Director explained that the Board had decided in the past that this task would be performed by the ILO's Internal Auditor. The latter invoiced the Centre for its services. However, in recent years, because of the heavy workload of the Internal Auditors, and in spite of reminders issued by the Centre, this service had not been performed in full, and sometimes not at all. Efforts had been made, however, over the last two years. An internal audit was currently being carried out, and the Auditors would be coming to the Centre after the session of the Board to complete it. The Director hoped that internal audits would be performed systematically and in depth. He would follow the Internal Auditors' suggestion that they draw up an auditing plan with the Geneva department. The Director pointed out that the Centre had to serve the strategic objectives of the ILO. He drew the Board's

attention to the fact that the Centre had gradually developed technical programmes covering the key issues handled by the ILO, in order to align itself with the four strategic objectives. When he took office, nothing existed in the fields of international labour standards, social protection, social dialogue or the management of development. In each of these ILO areas of competence, the Centre now had qualified interlocutors working in specialized teams. This had led to a real improvement in relations between ILO headquarters, the field offices and the Centre. Where access to resources and contacts with donor agencies were concerned, the Centre had successfully diversified its sources of funding. In 1990, just US\$2 million had come from sources other than the ILO and Italy; at present the figure was US\$19 million. There were no special reasons for fearing that recourse to donors would put the Centre at risk. The ILO itself frequently had recourse to external donors, financing most of its technical cooperation activities in this way. Further thought needed to be given to ways of mobilizing resources. The important thing was undoubtedly to examine how the Centre could better assist the ILO in achieving its strategic objectives by disseminating its messages, training, and strengthening the institutional and personal capacities of constituents. This would promote consistency in the different means of action available to the ILO, and would be in the spirit of the measures already taken for this purpose within the International Labour Office, such as establishing close links between the standards and technical cooperation (of which the Declaration was a good example) and moving towards joint programming of the ILO's regular budget and the technical cooperation funds. This would make it possible to correct imbalances, such as the fact that the Centre's standards programme accounted for only 6 per cent of the Centre's activities, whereas the corresponding sector at the ILO had at its disposal more than half of the ILO's technical cooperation resources. Where access to resources was concerned, the agencies making donations to the ILO and the Centre were essentially the same and a joint approach, of the kind recommended by the working group set up at the request of the Director-General, was often the best solution. This would be possible if the technical units of the ILO took the Turin Centre's capacities into account in preparing their technical cooperation projects, and consulted in advance with the Centre on the training components of those projects. Consultations were under way with PARDEV on this subject with a view to introducing mechanisms to achieve the desired objective. In addition, the Centre enjoyed certain advantages on account of its flexibility, speed of response and privileged relations with some donors, in particular the European Union. It might therefore be profitable for the ILO and the Centre to combine their strengths in the interests of achieving the strategic objectives. This cooperation would become more and more essential, as resources were being allocated, and would increasingly be allocated, in the beneficiary countries. Since it was not the Centre's vocation to have representatives in the field, it would be necessary to establish good partnerships with the ILO's field offices, so that they could represent the Centre and include it in their initiatives. Coming to the points raised by Board members, the Director stated that, where the composition of the Board was concerned, if the Board wanted local trade unions to be represented, it would have to amend the statutes. Where post-graduate training was concerned, the Director explained that a special effort was being made to ensure that the social partners could benefit from those training courses in good conditions. The new subjects covered by those courses were at the heart of the ILO's mandate, i.e. international labour standards and health and safety in the workplace. Regarding the fall-off in activities in Africa in 2004, he pointed out that the situation experienced by the Regional Office in Abidjan had caused serious difficulties. A major effort had been made to find new funding and, in 2005, a 30 per cent increase in activities for Africa was expected, with 61 activities instead of the 48 held in 2004. Regarding the Caribbean, the Director assured the Board that efforts would be made to pay closer attention to the needs of that part of the world. The Board members could play an important role there by helping the Centre to identify needs and raising the awareness of local donors. The Director was pleased to be able to announce that a network of former participants had been established, using the Internet. When the Centre's officials went on missions, they also arranged meetings of former participants. Where staffing

issues were concerned, the Director explained that efforts were being made regarding career development. For instance, in 2002-05 there had been 27 promotions in the Professional category, and 42 in the General Service category. When posts were advertised, internal candidates were always considered and, as far as possible, geographical balance and the gender dimension were taken into account. Of the seven persons recruited in the Professional category during that period, four had been women. It was very encouraging that, in recent years, well-qualified and highly motivated young officials had joined the Centre's team. This augured well for the future of the Centre. The regular staff provided long-term stability, while project-based staff reflected the constant need to keep the Centre's technical skills up to date. The Director stressed that the number of staff on short-term contracts had been considerably reduced. Constant adjustments were necessary and, in making them, the Centre made every effort to protect individuals' interests. Regarding training for ILO officials, the Director mentioned the regular courses developed by the Centre, drawing on its expertise in project management. He acknowledged that the efforts made to evaluate the impact of training courses were still limited, but pointed out that this type of evaluation could only be applied to projects of a certain duration, and this was costly. For this reason, it was necessary to persuade donors to provide additional funding. However, a complete evaluation was being performed on the activity for judges and on projects funded by Flanders to promote social dialogue in the Baltic States. The Director noted with satisfaction that the ILO and the Centre were cooperating well on the issue of migration, and pointed out that this topic was one of the main concerns of the proposals put forward for the next Development Plan. With regard to promoting the Centre during the Olympic Games, he said that he was in contact with the International Olympic Committee to see what could be done within the framework of rules currently in force. On the issue of excessively high costs, he mentioned a study conducted a few years ago by an independent expert which showed that the Centre was about average. He pointed out that staff costs were fixed by the ICSC and the General Assembly of the United Nations and referred back to what he had already said about overheads. Efforts were being made to make profitable use of the campus and reduce management costs. The presence on campus of the Staff College and the UNICRI helped reduce the Centre's overheads, and the Centre's residential facilities were also made available, as far as possible, to local institutions. However, because this must not hinder the activities of the Centre itself, the room for manoeuvre was fairly slim.

37. *The Chairperson* thanked the Director for his clear explanation of the relationship between the ILO and the Turin Centre and for his practical suggestions. She invited the representative of the Auditor to speak.
38. *The representative of the External Auditor* thanked the Chairperson for the chance she had given him to reply to some of the comments and questions formulated by the members of the Board. He noted with satisfaction that the Board had been receptive to his comments, especially to recommendations 15, 16, 20 and 23, and said he was convinced the management would take the appropriate measures. He confirmed that the figures submitted in the financial statements (notes 23 and 24) conformed to the accounting standards of the United Nations system, and that the latter had based that presentation model on recommendations by the Auditor.
39. *The Board* approved paragraph 17 of document CC67/3 and took note of documents CC67/2; CC67/2/Add.1; CC67/2/Add.2 and CC67/2/Add.3.

III. Reports of the Trade Union Training Committee and of the Management Training Committee (Fourth item on the agenda)

40. *The spokesperson for the Trade Union Training Committee* gave an account of the work carried out by the Committee and its principal conclusions and recommendations. The Centre had the experience, the necessary skills, viability and credit necessary at the international level. Because of this, the Workers' group judged it necessary to have a debate within the Governing Body as soon as possible on the Turin Centre, its future development and its integration into the ILO. A working group composed of spokespersons of the groups and of the Turin Centre and of the ILO experts should then ensure follow-up to this meeting and produce a document on integrating the Centre into the ILO. This document would then be discussed and approved by the Governing Body of the ILO.
41. *Ms. Goulart (Worker, Brazil)* thanked the Chairperson for giving her the floor and recalled that she was attending the Board of the Centre for the first time. She was in complete agreement with her group's spokesperson, Mr. Sidi Saïd. She wished nevertheless to make two additional points: (i) her satisfaction that gender had been taken into account – she encouraged the Centre to continue its efforts in this direction; (ii) her wish to see the question of regional economic integration in the Americas included in the work programme for 2006. In particular she proposed strengthening the capacities of the countries concerned on the social dimension, which had so far not been taken into account in the regional integration process.
42. *Ms. Diallo (Worker, Guinea)* joined her predecessors in congratulating the Vice-Chairpersons who had been elected. She did not intend to look again at the statement on Africa, but wished to reiterate that there was currently no cross-disciplinary programme to promote training for Africa at the Centre. She was glad to note the progress made in taking gender issues into account in the Centre's activities. Because of economic constraints, she wondered if it would not be more justified to organize training in the field, so as to benefit a larger number. Concerning the strengthening of capacity in the area of HIV/AIDS, she wondered about the larger problem of access to treatment and medicine. She proposed that a network of trainers be set up in Africa, composed of former Turin participants, which could provide training, especially targeting the informal sector, under the guidance of technical specialists from the regional or subregional offices. She would also like to see high-level courses for leaders on subjects such as globalization. Finally, she suggested activities relating to the role of African trade unions in managing sensitive issues such as security or conflicts.
43. *The spokesperson for the Trade Union Training Committee* referred to a remark omitted the day before concerning document CC67/2. It was a pity that the 515 participants who participated in bi- or tripartite training, had not been classified into workers and employers.
44. *The spokesperson for the Employers' Training Committee* declared herself in perfect accord with the proposal made by the Workers' group to prepare a document on integrating the Centre into the ILO. She supported the recommendations made in the report on training activities for employers. The group would have liked to have had more time to discuss the agenda items in depth. In general, she would like the report on activities to be more analytical. She also recommended a better balance between the activities of the programme for workers and that for employers. She proposed that the employers' organizations in the field be consulted in order better to target training to meet the needs actually expressed by the employers, and in this way achieve a real impact. The Centre

should respond to the real requests of employers and not choose subjects that are sometimes less interesting. The Employers' Activities Programme should be modified and equipped with a new strategy formulated in consultation with the Employers' group of the Governing Body, the IOE and ACT/EMP. Social dialogue and enterprise development were essential issues for the Employers' group, and they deserved more attention, especially in Latin America. The Centre would effectively meet the concerns of employers if its activities were appropriate to the world of business and enterprise.

45. *The representative of the Government of Nigeria* had taken note of the reports prepared by the Workers' and Employers' Training Committees. Her group appreciated and accepted tripartism as the keystone of the ILO's approach. In this connection, she noted the absence of a similar report for the Government group, probably due to the non-existence of a Government Training Committee. She therefore invited the Centre to take the necessary steps to set up such a committee, which would provide governments with a forum in which to discuss training needs at national and regional level, and would eliminate the need for such discussions at the Board meeting.
46. *Mr. Anand (Employer, India)* wished to see a development of research links, mainly between universities in developing countries and the Centre.
47. *The Director*, responding to the proposal by the representative of the Government of Nigeria, pointed out that the workers' and employers' committees represented on the Board of the Centre were consultative organs which reflected the groups formed within the ILO to develop common policies. The governments did not constitute such a homogeneous group, and their relations were based on different and varying criteria. The creation of a governmental committee supposed that it was possible to identify common initiatives. This new idea was acceptable in principle, but it deserved to be discussed more.
48. *Mr. Blondel (Worker, France)* agreed that the idea was not without interest. He saw the possibility of establishing training programmes for high-level government officials which could rival those of the great national training institutions. These programmes would aim to make high-level officials aware of the issues concerning international standards and of the ILO's priority programmes.
49. *The Director* pointed out that the courses were also open to government staff. For example, in the same week as the Board meeting, the Centre was running a course in human resources management in the public sector for Portuguese-speaking countries. Officials at different levels, especially labour inspectors, regularly participated in Centre activities, some of which were organized specially for them.

IV. Update on the Investment Fund for the Third Development Plan for 2002-05 and the Fourth Development Plan of the Centre (2007-11): Preliminary consultation (Fifth item on the agenda)

50. *The Director* stated that the first document set out actual expenditure in 2002-04 in putting into effect the Third Development Plan, and the projected expenditure for 2005 and 2006. The second document made a number of proposals which could serve to inspire the activities of the next Development Plan, which were often linked to the priorities the ILO assigned itself, such as corporate social responsibility, migration, discrimination and tripartism. To respond to this, the Centre should improve its methods, equipment and training techniques. The Centre also needed to renew its computerized management

system. The necessary changes were shown in the document. The Director said that the methods used for financing this Plan would be the same as those used for the preceding one. As the Centre generated a certain surplus, this was placed in the general reserve. Every five years, a proposal was made to authorize the withdrawal of a reasonable amount to finance a given investment. He therefore expected the Board's comments and reactions in order to prepare the next Development Plan.

51. *The Employer Vice-Chairperson* had studied document CC67/5/a. In spite of the reasons put forward, the Employers' group regretted the postponement until 2006 of certain activities planned for 2005. She then mentioned the importance of projects aimed at developing a capacity for non-confrontational negotiation in Latin America and in certain francophone countries. She was pleased to note that the Centre's gender commitment had not ceased to grow. Satisfied with the creation of a network of ex-Turin participants and their organizations, which would make for greater impact and increased visibility, she asked the Director for information on results so far. Secondly, she thanked the Director for the document on the Centre's Fourth Development Plan (2007-11), which offered the Employers' group an opportunity to collaborate in preparing the Plan. The Employers' group had made a positive evaluation of the three preceding five-year plans, including the increase in volume of activities from 2002 to 2004. She also noted with satisfaction that tripartite and bipartite activities had increased from 2 per cent to 20 per cent between 1999 and 2005, and the participation of social partners had increased from 13.5 per cent to 19.7 per cent in the same period. She noted that this percentage was too low, and encouraged progress in the future. She was pleased to note good results in women's participation (40 per cent of participants in 2004), but wished to see a progressive increase to 45 per cent and beyond. She took note of progress in technological and communications infrastructure, with the reorganization of the web site and the Internet system of management of participants. With regard to Part 2 of the document, although the Centre ought to strengthen the strategic objectives of the ILO, the Vice-Chairperson said she was open to the possibility of the Centre acquiring new competences which went beyond the traditional technical programmes, such as post-university training and cooperation with world-class research institutions. She emphasized again that ILO programmes and activities should be adapted to the real training needs of constituents. With regard to Part 3, she indicated her agreement with the new programme on the elimination of discrimination, stressing the importance of involving employers' organizations in this effort. She approved the new programme of the Centre on improved practices for the preparation and application of private voluntary initiatives as well as the programme on corporate social responsibility enterprises, but she reminded the meeting forcefully that employers' organizations should always be informed about and involved in these programmes through ACT/EMP, so that the latter, in consultation with the IOE, could express the employers' views on this delicate matter. She then brought up another sensitive subject for employers: the work relationship, on which a consensus had not yet been reached and she therefore considered that the subject was premature and should be handled with care. On the paragraph concerning employment, the Employers' group continued to support the Centre's programme covering employment issues, since that subject was a means of combating poverty and marginalization, and lay at the heart of their concerns. The following subjects, in particular, held their attention: entrepreneurship, particularly among women, the creation of a favourable environment for enterprises, especially for small and medium-sized enterprises (SMEs), business development services, productivity, quality of work, economic and social development, and microfinance for small and micro-enterprises. On the question of social protection, she expressed her agreement with the proposed programmes, especially with a constant updating of training materials. For the Employer Vice-Chairperson, the HIV/AIDS programme was of primary importance. She recommended that the Centre cooperate with the IOE, which had experience in that area. It was the same with the international migration programme. On this topic, she tended towards the idea of a multidisciplinary, multi-cultural approach, since a respect for

different cultures was fundamental to all training. It was also necessary to be aware of the danger of uncontrolled and irregular migration. Migration should benefit both countries of origin and receiving countries, but above all the migrants. She recommended working together with the ILO to prepare migration policies agreeable to all parties within a non-restrictive, multilateral framework. Regarding policies for the awarding of contracts, a conditionality approach should not prevent enterprises from participating freely in public markets by setting of restrictions which went beyond national standards. On Part 4, the Employers' group underlined with satisfaction the continuing growth in demand for the Centre's services, which compelled the Centre to offer competitive, high-quality services. The Employer Vice-Chairperson would like the multi-cultural, multidisciplinary methodological approach developed by the Centre to be strengthened, since it offered the participants a cultural enrichment well beyond technical knowledge. She concluded by expressly requesting that the IOE and its member federations be used as training providers and as channels for spreading the image of the Centre. With these observations and suggestions, she approved point 83 for decision.

- 52.** *The Worker Vice-Chairperson* took note of the document. Nevertheless, he stressed that putting the Third Development Plan into operation had become very late, and that such a delay could not, to him, be justified on the grounds of the complexity of the consultations. On document CC67/5/b, he did not share the point of view of the Employers. In his opinion, the structure of the document was far removed from the vision of his group reflected in the document submitted to the Chairperson of the Governing Body in September 2005. Approval of paragraph 83 was therefore premature. Consultations would be necessary before drawing up a new plan for Board approval in November 2006. In addition, he would like an explanation of the integration of the Centre's IT system with IRIS.
- 53.** *The representative of the Government of Honduras* approved the two documents submitted to the Board. Together with the Third Development Plan (document CC67/5/a) and its five guidelines, the Centre has an effective tool for improving quality control of its activities. The content of the Fourth Development Plan (document CC67/5/b) was pertinent and the suggestion of developing partnerships with regional institutions would allow for an indispensable multiplier effect. He underlined the importance of distance learning and the use of new technology for Latin America. The conclusions of the Tunis Summit meeting and cooperation with the ITU could contribute to strengthening the impact of the Centre's training. Regional development banks presented an interesting opportunity for mobilizing resources for this region. In terms of priority, migration, the fight against AIDS (in which Honduras has developed some good practices), as well as promotion of micro- and small enterprises were at the heart of the concerns of the region.
- 54.** *The representative of the Government of Italy* underlined the pertinence of the methodological approach proposed by the Fourth Development Plan which emphasized the need to develop training networks. This approach would permit an increase in the supply of training for development. Growing coordination with different players sharing the values of the ILO (national and regional centres of excellence, government programmes and EU programmes) would permit a better taking into account of the needs of beneficiaries. He underlined the importance of the regional dimension of development in Asia, Africa and Latin America, who were developing their training systems. With the support of the ILO, the Centre should participate there. The Italian Government was particularly interested in the development of initiatives in the areas of corporate social responsibility and migration. Within the framework of the Fourth Development Plan, he wondered whether the funds allocated were enough for full achievement of objectives. He suggested the preparation of a strategy for raising additional funds from donors to supplement the Centre's own limited resources. He was confident the Centre had the competence to develop those themes.

55. *The representative of the Government of Germany* said that the document submitted showed that the activities of the Centre were closely linked with the strategic interests of the ILO. She agreed with the topics proposed in the Fourth Development Plan (globalization, training of labour judges, elimination of child labour, corporate social responsibility, the informal sector and migration). The systematic taking into account of gender issues and the development of strategic partnerships were positive points. She added that employment was a point often referred to at the ILO, and recommended the use of networks dedicated to employment. She suggested, however, the addition of youth employment to the priorities. The ILO's regional structures were an asset for achieving the objectives of the Plan.
56. *Mr. Traoré (Employer, Mali)* was happy to attend the Board of the Centre for the first time. He supported the declaration made by the Employer Vice-Chairperson. He was in favour of pursuing alignment of the Centre with the four strategic objectives of the ILO and hoped that the next reports would emphasize activities by region and continent. Africa, was the continent with the greatest need of assistance from the Centre. In the framework of the Cotonou agreements on trade liberalization, the social dimension and employment in free trade zones were a priority for African social partners, and it was positive that the Fourth Development Plan took that into account. With regard to activities for employers, he noted with satisfaction that the priorities of the Employers' group for Africa in the area of capacity building and enterprise development had been taken into consideration, and this would permit African employers' associations to play their role more effectively. In the area of corporate social responsibility, he strongly recommended the involvement of the IOE, ACT/EMP and employers' organizations, who were the main players. Mr. Traoré insisted on the need to devise a detailed strategy for carrying out the proposed actions.
57. *Ms. Diallo (Worker, Guinea)* supported what the spokesperson for the Workers' group had said. Commenting on paragraph 29 of document CC67/5/b on voluntary initiatives by enterprises for respecting certain fundamental rights of salaried staff, she drew the Board's attention to the risk of setting up parallel systems to the ILO's control mechanisms.
58. *The representative of the Government of Nigeria* suggested that the staff of the Centre should be strengthened in order to avoid the delays noted in launching certain projects mentioned in paragraphs 5 and 44 of document CC67/5/a. With regard to the Fourth Development Plan, she hoped it could remedy the current geographical imbalance. The subjects proposed for the new Development Plan, such as the fundamental principle of the right to work, and in particular the elimination of child labour, human trafficking, forced labour, employment and the labour market, social protection, and, above all, the fight against HIV/AIDS at the workplace and social dialogue should be consolidated while taking account of specific regional needs. Strengthening tripartism and taking gender issues into account should constitute a priority of this Plan for the Centre's activities. Even though resources for putting the Plan into operation were limited, she hoped that those suggested would be in the document which would be presented to the Board at the next meeting. The representative of the Government of Nigeria approved paragraph 83 of document CC67/5/b.
59. *Mr. Anand (Employer, India)* recommended that partnerships should be the object of close examination, considering the number of organizations in competition with the Centre even inside the United Nations system. There was thus a need to define well the specific nature of the Centre, and to give full rein to social partnerships. He advocated devising action plans that clearly indicated both estimated and actual results.
60. *Mr. Blondel (Worker, France)* raised the question of IRIS and the cost of integrating the Centre's IT with it. He was pleased with the translation into Arabic of the training kit on freedom of association and advocated its translation into Chinese, too, so that it could be

used as a channel for promoting the ratification of the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87).

61. *The Director* thanked the Board for the comments. The subject of corporate social responsibility was dealt with by the Centre in collaboration with the ILO's multinational enterprises team. The question of work contracts would be raised at the International Labour Conference, the following June. The Centre would examine with the ILO services if it could be useful in the implementation of the guidelines which would be issued by the Conference. He announced that the IT system known as MAP was fully operational. In response to the representative of the Government of Italy, he indicated that links with research centres in developing countries were being strengthened. He assured the representative of the Government of Germany that youth employment was a critical subject on which the Centre collaborated with the relevant sector of the ILO.
62. *The Chairperson* returned to the question of the IT system, IRIS, which had been raised by certain members of the Board. The IRIS project was currently being stabilized at headquarters. There would be discussions on areas which could concern Turin, involving the Director of the Centre.
63. *The Chairperson*, on the point for decision, proposed an amendment to paragraph 83 of document CC67/5/b as follows: "The Board invites the Director to take into account the views expressed by its members on document CC67/5/b. The Officers of the Board will be consulted on the preparation and presentation of a comprehensive Development Plan for 2007-11. These consultations will begin immediately, in order to ensure that the Development Plan be ready in good time for the next Board meeting."
64. *The Vice-Chairpersons* agreed to the text proposed by the Chairperson.

V. Staff questions (Sixth item on the agenda)

65. *The Chairperson*, according to custom, invited the Board to hear a speech by the representative of the Staff Union Committee (see Appendix 1).
66. *The Director* presented the documents relating to staff questions. Document CC67/6/a gave an account of the amendments to the Staff Regulations approved by the Director over the previous 12 months. Document CC67/6/b gave an account of the recommendations made by the International Civil Service Commission in its annual report to the United Nations General Assembly for 2005. If these were approved, authorization to put them into effect would be requested of the Board. Document CC67/6/c dealt with the exchange of staff between the Centre and the ILO, which had been agreed with the Staff Unions of the Centre and of the ILO.
67. *The Worker Vice-Chairperson* took note of document CC67/6/a and approved the recommendations of document CC67/6/b. He took note of document CC67/6/c but hoped to obtain an assurance of the reciprocity of the staff exchange programme between the Centre and the ILO and that acceptance of this proposal would not prevent the integration of staff between the Centre and the ILO from continuing.
68. *The Employer Vice-Chairperson* took note of document CC67/6/a and approved the recommendations in document CC67/6/b. She remarked that the question dealt with by document CC67/6/c was not new. She approved paragraph 8 of the document for decision providing that the reciprocity of the staff exchange programme between the Centre and the ILO was guaranteed

69. *The representative of the Government of Nigeria* took note of the three documents and remarked with satisfaction on the harmony which seemed to reign between the management and staff of the Centre. He returned to the Centre's raison d'être, which was to train the staff of the ILO's constituents. He underlined the importance of the motivation of the Centre's own staff in carrying out this important mission successfully, and placed full confidence in the Director. Returning to document CC67/2/Add.1, he deplored the fact that amongst the Centre's staff there were only six of African origin, and none of them was above P.4 level. He recommended that the Centre recruit more from under-represented regions.
70. *The representative of the Government of Spain* had no objection to approving the documents, but wished to raise a semantic point. He wished to inform the Board that in Spanish law, the "loan" of workers was a crime. This expression was used more than eight times in document CC67/6/c. He therefore recommended the term "exchange" to replace the word "loan".
71. *The Legal Adviser to the Centre, Mr. Picard*, responded on the use of the word "loan". It did not envisage the offering of services which could be introduced into certain national labour codes. It was a concept found in the inter-agency code signed by the United Nations organizations, which designated an official who remained attached contractually to his/her original organization and was "lent", i.e. put at the disposal of another agency of the United Nations on the same terms and conditions as those of his/her organization of origin. This arrangement was an illustration of the common system. There were different organizations, but there was a common system within which a loan of staff could be made, permitting officials to retain their status with the organization of origin. This terminology was in harmony with the United Nations system.
72. *The representative of the Government of Spain* recognized the existence of the standards of the United Nations common system, but considered that these should be drafted by specialists. Since the ILO was the reference point in labour legislation, it should propose the correction of this term to accord with numerous national labour codes.
73. *The Chairperson* replied to the Worker Vice-Chairperson on the implementation of the staff exchange programme between the Centre and the ILO. She drew attention to point 7 of the document, which foresaw an annual examination of the operation of the programme. In the context of this review, any issues concerning the operation of the agreement could be discussed.
74. *The Board* took note of document CC67/6/a and approved paragraph 6 of document CC67/6/b and paragraph 8 of document CC67/6/c.

VI. Other business: Report to the Programme, Financial and Administrative Committee of the Governing Body of the ILO (Seventh item on the agenda)

75. *The Chairperson* informed the Board members that the report of the 67th Session of the Board of the Centre would be available to the Programme, Financial and Administrative Committee of the Governing Body of the ILO on Monday, 7 November 2005 in Geneva. According to the usual practice, and taking into account the very short deadline, she proposed that the Board delegate to its Chairperson the task of approving the draft report.

76. *The Board* approved the proposal of the Chairperson.

VII. Date and place of the next session
(Eighth item on the agenda)

77. *The Chairperson* proposed that the 68th Session of the Board of the Centre be held in Turin on a date to be determined by the Officers of the Board before the 297th Session of the Governing Body of the ILO which would be held in Geneva from 2 to 17 November 2006. The exact date would be communicated to members by the Officers of the Board, taking into account the other meetings of the ILO.

78. *The Board* approved the proposal of the Chairperson.

79. *The Chairperson* closed the 67th Session of the Board of the Centre and thanked the participants heartily for their contributions.

Geneva, 7 November 2005.

Submitted for information.

Appendix 1

Address of the Staff Union Committee to the Board of the Centre (4 November 2005)

Madame Chair,

Members of the Board,

Ladies and gentlemen,

This year, we meet just ten days after the United Nations family has celebrated its 60th birthday. In addition, we have been reminded yet again of human frailty and the fragility of human accomplishments in the wake of the devastation and lost lives caused by natural calamities and man-made violence around the globe. Helping to bring an end to the HIV/AIDS pandemic that is killing children at the rate of one per minute, providing relief for earthquake survivors in northern Pakistan and for mudslide victims in Guatemala, overcoming political instability, terrorist threats or ethnic cleansing in Afghanistan, Iraq, Darfur and elsewhere are just a few of the enormous challenges facing the United Nations. We share the concerns of our United Nations family and pledge our commitment to making our modest contribution to a safer world with decent work and social justice as set out in our ILO mandate.

This year, the activities of the Centre have been increasingly conducted in the field. Internal and external communication has become more difficult, and units have tended to operate as independent entities. Recognizing the need to balance the priorities of sponsors with the emerging development needs of tripartite constituents, the staff of the Centre have worked hard to ensure quality in training.

Allow me to report first on the successfully resolved issues of importance to all ITC officials. The most significant was the strengthening of the Turin/Geneva relationship, which culminated in the merger of our Staff Unions. On both sides of the Alps, staff and their representatives confirmed their decision to join forces and work together as one body. This step forward is crucial to the ITC's affiliation to headquarters and to the possibility of staff mobility and future integration. The Centre plays an important role for the ILO, one that should be bolstered by stronger synergy between Turin and headquarters, and between Turin and the field offices. In this respect, we are pleased to see that a final agreement concerning loan of staff between the Centre and the ILO has been agreed upon and will be implemented as from 1 January 2006. The staff's long-standing aspiration to integrate fully into the Organization appears to be more realistic now than ever before.

We take this opportunity to renew, on behalf of the staff, appreciation for the existing dialogue between the staff representatives and the representatives of the management.

However, despite the explicit interest of the Staff Union in taking part in annual budget discussions and our requests for the revision and improvement of staff regulations governing the grievance procedure, little progress has been achieved in this regard. Five years ago, in October 2000, we signed an Agreement on Collective Bargaining. That Agreement established joint decision-making by the management and the Staff Union Committee. Accordingly, we would like to see the views of staff representatives taken into better account in key decision-making.

More specifically, we have asked for the procedure on harassment to be dealt with as a priority issue, as it has been at headquarters. Harassment in any shape or form indicated in the Code of Conduct adopted by the United Nations in 2001 is an affront to human dignity. It is the responsibility of organizations to further explain their interpretation of the term and to establish rules and provide guidance on what constitutes harassment and to state clearly how it will be dealt with.

The Staff Union Committee asks to be involved, and consulted in advance, in all processes which have implications for staff working conditions. Particular attention must be paid to staff whose employment at the Centre is precarious, although their number has been reduced following filling of posts. We are most concerned about vulnerable groups, such as officials with temporary contracts, including short-term ones. Such precariousness contradicts decent work and other principles of the International Labour Organization.

Particularly worrying is the reduction of personnel in the support services that, while being balanced in relation to the Training Department, puts the remaining support staff under considerable pressure because the tasks of the support staff have increased considerably. The Staff Union considers that further reduction of staff in support services would not be possible while maintaining the same level of services.

In 2002, we reported to you that "... the Director's report states that 33 per cent of Professional category staff are women". This is true, but there is not a single woman in the D category, which is zero per cent, and there are only four women out of 19 staff at grade P.5, which is 21 per cent. The aspirations of qualified, hard-working, dedicated women for promotion remain largely wishful thinking. The Human Resources Development Department, the Gender Coordination Unit and the Staff Union have conducted a survey on gender equality at the Centre. Areas of improvement in closing the gender gap at the Centre have been identified. Though the report's recommendations are public, so far the management has not officially expressed a specific position on that independent report, although a meeting has been organized to review the findings and consider appropriate action to be taken. A proper launch of the report is therefore needed to raise awareness among staff and to show the Centre's support for, and commitment to, gender equality. In the context of succession planning, what measures and strategies does the Centre intend to take to achieve a better work/private life balance and to reach the target of 50 per cent women at Professional level by 2010? Gender equality is, after all, what the Centre and the ILO preach!

We have recently been reminded of the standards of conduct for international civil servants. That document points out that freedom from discrimination is a basic human right. International civil servants are expected to respect the dignity, worth and equality of all people without any distinction whatsoever. Assumptions based on stereotypes must be assiduously avoided. One of the main tenets of the United Nations Charter is the equality of men and women, and United Nations organizations should therefore do their utmost to ban gender discrimination and promote equal opportunities for all.

Last year, the ITC Staff Union Committee thanked the Board of the Centre for the measures taken during its 65th Session to improve the pension status of a group of Italian colleagues. We would like to point out, with satisfaction, that two out of the four cases in which officials did not receive compensation have since been resolved successfully and the personal situation of the other two remaining persons has been addressed. We thank the management of the Centre and of the ILO for the results achieved.

We are proud to be part of the ILO Staff Union and to work even closer with our colleagues from Geneva and in the field. This is the only possible way to pool the knowledge, expertise and values that will help to develop and strengthen our respective institutions.

Madam Chair, members of the Board, ladies and gentlemen, we also welcome the presence, and the support, of representatives of workers, employers and governments from all over the world who share our goals.

Thank you.