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Proposed 2022–23 budgets for extrabudgetary accounts: Inter-American Centre for Knowledge Development in Vocational Training (CINTERFOR)

Purpose of the document

This document presents a proposal for CINTERFOR's Programme and Budget for 2022–23. The Governing Body is invited to approve the income and expenditure estimates of the CINTERFOR extrabudgetary account for 2022–23, as set out in Appendix I (see the draft decision in paragraph 31).

Relevant strategic objective: All.

Main relevant outcome: All.

Policy implications: None.

Legal implications: None.

Financial implications: Budget for 2022–23.

Follow-up action required: None.

Author unit: Inter-American Centre for Knowledge Development in Vocational Training (CINTERFOR).

Related documents: [GB.337/PFA/3](#).

► Introduction

1. In the context of a human-centred recovery from the COVID-19 pandemic and the continuous challenge to achieving an inclusive, sustainable and productive transformation, CINTERFOR's programme and budget proposals for the biennium 2022-23 are closely in line with the ILO's strategy for the development of skills for employment for the same period. The proposals have been designed as the operational expression of the strategy for the Americas region.
2. In response to the call made by the ILO Centenary Declaration for the Future of Work (Centenary Declaration),¹ CINTERFOR aims at effectively supporting countries and constituents in their efforts to implement effective lifelong learning systems and quality education and vocational training for all, consistent with the framework established by the Human Resources Development Recommendation, 2004 (No. 195) and the Human Resources Development Convention, 1975 (No. 142), and in line with Sustainable Development Goals (SDGs) 4 (ensure inclusive and equitable quality education and promote lifelong learning opportunities for all) and 8 (sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all).
3. In preparing the programme, the Centre has specifically taken into account the strong impact of the COVID-19 crisis in the region, which, added to the pre-existing deficiencies as regards decent work and inequality, has accelerated changes in different areas of the labour market and underscored the importance of offering opportunities for the development of the capabilities of all. Accordingly, particular attention has been paid to providing support for the update and digitalization of vocational training systems, to anticipating the demand for new skills and competences, to ensuring equal access to opportunities for skills development, and to strengthening social dialogue in and about vocational training.
4. In its capacity as a technical service and the core of a cooperation and knowledge management network of 67 vocational training institutions and organizations in 27 countries, CINTERFOR is called upon to contribute actively and effectively to the ILO's leadership role, particularly in relation to strengthening cooperation and partnering for development, sharing good practices, and fostering innovation, as well as promoting tripartism and social dialogue in its field of action.
5. As a hub for innovation in the field of vocational training, CINTERFOR has continued to systematically improve its work processes, modalities and mechanisms of action, its synchronization with the technical services at headquarters and with ILO field offices, as well as to develop new strategic partnerships with national and international cooperation and development agencies. The highlight of the current biennium has been the acceleration of the digitalization of the world of work and, in particular, of vocational training. In this context, CINTERFOR has embarked upon its own digital transformation, which has made it possible to maintain and increase knowledge-sharing, technical assistance and cooperation activities in order to respond to countries' demand for quality, swift and relevant support. For the biennium 2022-23, CINTERFOR intends to expand this innovative and transformative strategy in order to increase its range of

¹ Adopted by the International Labour Conference at its 108th Session (2019).

technical assistance services and their quality, placing the development of skills at the heart of a more inclusive, productive and sustainable recovery.

6. The following sections contain a description of CINTERFOR's programme and its estimated income and expenditure for 2022–23. Appendices I and II provide detailed budget information.

► Programme

7. The proposed programme of work for the biennium is part of the ILO's Strategic Plan for 2022–25. It includes, in particular:
 - the key role conferred by tripartite constituents in the Centenary Declaration, to strengthening people's capabilities in strategies to face the major shifts in the world of work, mainly digital, environmental and demographic, as well as to achieving the 2030 Agenda for Sustainable Development (2030 Agenda), in particular in relation to SDGs 4 and 8;
 - the emphasis placed in the ILO's Strategic Plan for 2022–25 on leaving no one behind, reinforced by the need to address global recovery from the COVID-19 crisis, in particular by facilitating lifelong learning and labour market transitions, ensuring inclusive and sustainable growth that generates productive employment and decent work, and fostering an enabling environment for sustainable businesses and entrepreneurship;
 - strengthening the ILO's capacity to provide quality services to its constituents and Member States by better understanding their needs and responding to them in a more relevant and timely manner;
 - contributing to the status of the ILO as a benchmark in the field of capacity-building for institutions implementing public vocational training policy, as well as for workers and enterprises;
 - increasing effectiveness and efficiency in the use of resources, in order to provide optimal services to Member States.
8. Based on the guidance provided by the Governing Body, CINTERFOR's priorities will include knowledge management, South–South and triangular cooperation, and making the fullest possible use of information and communication technologies in all of its working areas.
9. CINTERFOR plans to make progress in the four areas outlined below.

(a) Strengthening the capacity of vocational training institutes and systems, as well as of tripartite constituents, to identify mismatches between skills supply and demand and to anticipate future needs

10. Bearing in mind the need to adapt the response of vocational training institutes and systems to the rapid changes in productive sectors and professions and the evolution of global supply chains, CINTERFOR will continue to support the improvement of labour market information systems. This, with the purpose of identifying retraining and further

training needs, to prevent skills supply and demand mismatches and to equip skills development systems with the means to anticipate future skills needs.

11. The effects that the Centre intends to generate through technical assistance and South–South and triangular cooperation actions include:
 - strengthening the capacity of constituents and training institutes to determine and anticipate skills needs, taking into account the shifts occurring in the world of work and the impact of the COVID-19 pandemic;
 - designing and implementing, through social dialogue, sector-wide strategies that are forward-looking, inclusive and evidence-based in order to identify and meet skills needs;
 - experimenting with innovative methods for measuring existing or potential skills mismatches, such as rapid skills needs assessments, the use of big data tools and the measurement of skills mismatches; and
 - devising and implementing activities aimed at identifying skills needs and promoting skills development, vocational retraining and the upgrade of the skills needed for an equitable transition to environmental sustainability and other competencies necessary for productive employment, decent work, the resilience of enterprises and workers, and personal development.
12. To this end, the following actions will be carried out or promoted:
 - developing knowledge dissemination products – with a gender equality and non-discrimination perspective – on forecasting skills needs and identifying labour market imbalances, based on labour market information, including real-time data and big data;
 - identifying and disseminating good practices arising from successful interventions in forecasting skills needs;
 - developing and implementing, on an experimental basis, guidelines on the identification and anticipation of the skills needed to facilitate an equitable transition to a better future of work in the recovery phase that will follow the COVID-19 crisis;
 - developing the capacity of technical and teaching staff through actions such as the design and delivery of face-to-face and online courses, the organization of technical workshops, and further dissemination of handbooks and guides among CINTERFOR's network of institutes and constituents on new approaches and methods used to anticipate skills needs and match skills supply and demand; and
 - providing technical support and facilitating South–South cooperation activities and the collaborative development of solutions for the improvement of skills information, identification and forecasting systems.

(b) Developing the capacity of vocational training institutes and systems and of tripartite constituents to strengthen skills and lifelong learning policies, governance models and financing systems

13. The Centre will continue to support countries in their efforts to develop policies and strategies in these areas in order to strengthen the role of vocational training in structural reforms and productivity growth strategies and its links with national

development plans and sectoral, trade and employment policies, including those related to the recovery from the COVID-19 crisis.

14. Some of the effects that the Centre intends to generate through technical assistance and South–South and triangular cooperation actions include:
 - developing and implementing national skills development and lifelong learning policies and strategies, through social dialogue and collective bargaining, to address skills development needs after initial vocational training, with particular emphasis on gender equality, inclusion and diversity;
 - integrating skills development and lifelong learning into national development plans, sectoral policies and structural reform strategies at national and regional levels;
 - promoting the participation of constituents in the governance of skills development and lifelong learning systems, including by establishing or reforming tripartite skills governance mechanisms;
 - designing and implementing new financing mechanisms and equitable and sustainable incentive systems that facilitate lifelong learning and offer innovative solutions that enable individuals and businesses to meet skills-related challenges.
15. To this end, the following actions will be carried out or promoted:
 - developing knowledge dissemination outputs on innovations regarding regulatory frameworks for institutional aspects, participation and social dialogue, and different training modalities;
 - knowledge-sharing, South–South and triangular cooperation and the collaborative design of solutions involving gender equity inclusion and promotion in skills development and lifelong learning systems and policies;
 - documenting, disseminating and sharing knowledge on skills development financing policies and strategies, and in particular, on different models, mechanisms, incentives and awareness-raising measures;
 - designing and implementing courses for CINTERFOR network institutes and tripartite constituents in order to develop their capacity to participate in social dialogue opportunities in and about vocational training; and
 - providing technical support and facilitating South–South and triangular cooperation, at the request of countries, with regard to processes for the improvement or reform of regulatory frameworks, governance and financing schemes for skills development and lifelong learning systems.

(c) Strengthening the capacity of vocational training institutes and systems to design and deliver innovative, flexible and inclusive learning options, including workplace training and quality apprenticeships

16. Taking into account the importance of effectively addressing the needs of enterprises and achieving better employment outcomes for women and men, the Centre will support countries in their efforts to develop innovative, flexible and inclusive training programmes. Social dialogue will be promoted in order to broaden training opportunities in the workplace, as well as the development of basic and digital skills. Innovation will be fostered through flexible and student-oriented learning modalities as

a tool for fostering inclusion and non-discrimination. Efforts will be made to strengthen systems for the recognition of prior knowledge and the continuous recognition of skills through innovative and digitally-based mechanisms. In view of the impact of the COVID-19 pandemic, priority attention should be given to youth, women, and disadvantaged or vulnerable groups.

17. Some of the effects that the Centre intends to generate through technical assistance and South–South and triangular cooperation actions include:

- upgrading learning programmes through the reform of its regulatory frameworks and existing systems, and developing models adapted to countries;
- diversifying learning options and means, with particular emphasis on the training and retraining of teachers and trainers, encouraging women to move towards intensive professions in science, technology, engineering and mathematics and limiting gender-related discrimination in training;
- developing and implementing inclusive policies and programmes for the recognition of skills and prior knowledge, which promote mobility through the adoption of qualifications frameworks and bilateral and multilateral agreements, and which devise programmes to strengthen the acquisition of basic skills;
- promoting methodological and technological innovation in the design and development of vocational training with a focus on the role of teachers, new learning environments and the development of skills for the future of work;
- designing and implementing specific initiatives, such as career guidance guidelines and post-training support measures, to improve access to learning, especially for young people, women, older workers, workers in the informal economy, people with disabilities and people in vulnerable situations.

18. To this end, the following actions will be carried out or promoted:

- providing technical support and facilitating South–South and triangular cooperation in adaptation and reform processes for vocational learning policies and programmes and regulatory frameworks;
- preparing analytical reports on vocational learning programmes for policy discussion to take place at the International Labour Conference in 2022 and 2023;
- designing and implementing courses for CINTERFOR network institutions and constituents in areas such as vocational learning, flexible training modalities such as part-time or full-time studies, e-learning, strategic human resources development in micro, small and medium-sized enterprises, recognition of prior skills and knowledge, and social inclusion and gender equality; and
- pursuing knowledge-sharing and collaborative solution building for inclusive skills training and the promotion of gender equality through skills development and lifelong learning.

(d) Strengthening the capacity of vocational training institutions and systems to facilitate the digital transition of skills development systems and strengthening digital skills

19. Taking into account both the opportunities and the challenges – underscored during the COVID-19 crisis – that digitalization poses to skills development and lifelong learning

systems, CINTERFOR will support countries in their efforts to adapt their vocational training systems to the new digital society. To this end, support will be given to building the capacity of institutions and systems to improve, on the basis of social dialogue, access to skills upgrading and teaching materials and resources, as well as to training, evaluation and certification activities.

20. Some of the effects that the Centre intends to generate through technical assistance and South–South and triangular cooperation actions include:

- assessing the basic digital infrastructure and capacity required to enable skills development systems, businesses, teachers and training providers to offer hybrid and online learning programmes and deliver digital skills;
- promoting equitable access to digital learning by providing technical support, partnerships and innovative low-cost solutions on a pilot basis;
- developing digital tools and materials that can be used in hybrid, online and distance learning to the training offer, assessment and certification;
- designing inclusive training programmes in the area of digital skills and their own certifications.

21. To this end, the following actions will be carried out or promoted:

- developing knowledge dissemination products, as well as technical guidelines on the identification, development, evaluation and certification of digital skills;
- designing and delivering courses for CINTERFOR network institutes and constituents, on digitalization and key processes for the institutional management, conception and delivery of training;
- promoting knowledge-sharing and collaborative capacity-building solutions for teachers and technicians, government institutions, training providers, and employers' and workers' organizations in order to design and implement online programmes and assessments and to use the new digital technologies and tools.

► Budget

22. Appendix I presents the proposed income and expenditure budget for the financial period from 1 January 2022 to 31 December 2023, together with comparative figures for budgeted and anticipated expenditure and income for 2020–21. Appendix II provides further information by subprogramme. The total income foreseen for the period 2022–23 amounts to US\$3,192,692.

23. The ILO contribution for the biennium 2022–23 will amount to US\$2,322,692, which represents a reduction of US\$140,203 in nominal terms compared to the previous biennium, but maintains the contribution at the same level in real terms.

24. The contribution of the host country will be maintained at US\$50,000 annually. The Government of Uruguay paid its 2020 contribution in 2021 and is expected to pay its contribution for 2021 during the current year. Projected income for the 2022–23 biennium is US\$100,000.

25. Voluntary contributions from participating vocational training institutes are forecast to be US\$500,000. During 2020, there was a slowdown in the collection of contributions,

largely due to the pandemic. Some institutions requested a temporary reduction of their contributions. Fortunately, contributions resumed in 2021 at a faster pace and some institutions that had been lagging behind recovered. The process of formalizing the payment of annual contributions to facilitate the collection of contributions continues.

26. The printing press has ceased to produce revenue due to the recourse to teleworking measures. Between January and March 2021 all printing work was for ILO projects. The Centre has not received printing requests from other ILO offices. Given the new situation and on the understanding that digital printing services will be provided increasingly in response to internal demand, the estimated income for these services is US\$5,000.
27. Other contributions are generated by short-term technical assistance activities, funded by the interested parties. Based on these resources, the Centre will deliver technical assistance to countries in the region, promote South-South cooperation among CINTERFOR participating institutions, and work together with other ILO offices and the International Training Centre of the ILO (Turin Centre). These services will be provided by hiring consulting services, conducting technical meetings and events, financing missions, and hiring staff on a short-term basis to support the technical cooperation activities of the Centre.
28. During the 2020–21 biennium, CINTERFOR introduced a new concept of technical assistance to overcome the impossibility to organize face-to-face workshops. Assistance is now provided through online courses, which have been very successful and will most likely continue during the next biennium.

Resource mobilization

29. CINTERFOR will continue to mobilize international and national technical cooperation resources. Income from technical assistance activities (such as advisory services, study visits and seminars) funded by the interested parties and virtual courses is anticipated to be US\$250,000.
30. In addition, CINTERFOR will continue to work on identifying and making use of resource mobilization opportunities through technical cooperation projects, both within the host country and regionally.

► Draft decision

31. **The Governing Body approved the income and expenditure estimates of the Inter-American Centre for Knowledge Development in Vocational Training (CINTERFOR) extrabudgetary account for 2022–23, as set out in Appendix I of document GB.343/PFA/2.**

► **Appendix I****Proposed income and expenditure**

The following table shows the proposed income and expenditure for the extrabudgetary account for the period from 1 January 2022 to 31 December 2023, together with comparative figures for budgeted and actual income and expenditure in 2020–21.

	2020–21 Approved budget (US\$)	2020–21 Anticipated income and expenditure (US\$)	2022–23 Proposed budget (US\$)
A. Funds brought forward from the previous financial year	1 189 434	1 319 731	1 581 224
B. Income			
ILO contribution	2 462 895	2 462 895	2 322 692
Host country contribution	100 000	100 000	100 000
Contributions from other countries in the region	500 000	450 000	500 000
Other contributions	280 000	250 000	250 000
Sales of publications and printing services	30 000	8 000	5 000
Miscellaneous income ¹	15 000	15 000	15 000
<i>Total income</i>	<i>3 387 895</i>	<i>3 285 895</i>	<i>3 192 692</i>
C. Total funds available	4 577 329	4 605 626	4 773 916
D. Total expenditure	3 733 200	3 024 402	3 567 600
E. Funds to be carried forward to the next financial year	844 129	1 581 224	1 206 316

¹ Including interest, exchange/revaluation gains/losses, etc.

► **Appendix II****Summary of proposed expenditure for 2022–23 by subprogramme
(extrabudgetary account and ILO contribution)**

Subprogramme	Work years/months		Cost in US\$		
	Professional service	General service	Staff	Non-staff	Total
Programme implementation	2/00	4/00	811 200	110 000	921 200
Knowledge management	–	12/00	1 051 200	100 000	1 151 200
Printing services and other contributions	–	–	–	210 000	210 000
Administration, finance and human resources	–	6/00	417 600	110 000	527 600
Management	2/00	2/00	657 600	100 000	757 600
2022–23 proposals	4/00	21/00	2 937 600	630 000	3 567 600