



## Governing Body

317th Session, Geneva, 6–28 March 2013

GB.317/PFA/1/1

**Programme, Financial and Administrative Section**  
*Programme, Financial and Administrative Segment*

**PFA**

Date: 19 March 2013

Original: English

FIRST ITEM ON THE AGENDA

## Programme and Budget proposals for 2014–15

### Director-General's proposals for adjustments to the Programme and Budget proposals for 2014–15

#### Purpose of the document

In this paper the Governing Body is invited to recommend the proposed programme and budget for 2014–15 as adjusted, for approval by the Conference (see draft decision in paragraph 9).

Relevant strategic objective: Not applicable.

Policy implications: Recommendation on programme and budget.

Legal implications: None.

Financial implications: Recommendation on budget level for 2014–15.

Follow-up action required: None.

Author unit: Office of the Treasurer and Financial Comptroller (TR/CF).

Related documents: GB.317/PFA/1.



1. In respect of the Director-General's response to the Programme and Budget debate, this document provides financial information on the proposed adjustments to the budget.
2. Attached are three appendices summarizing the proposed adjustments to the original proposals and the revised budget totals resulting from these adjustments.
3. Appendix I contains the revised strategic budget, including the proposed adjustments.
4. Appendix II details the adjustments to the operational budget in constant dollars.
5. Appendix III summarizes the revised proposals taking account of the revisions to cost increases and the programme adjustments indicated in Appendix II. The net effect of these adjustments is to reduce the nominal level of the proposals by US\$4,198, from \$864,011,070 to \$864,006,872.
6. The proposed adjustments amount to some \$2.2 million.
7. In summary, it is proposed to strengthen technical capacity in statistics, economic analysis and in the Bureau for Employers' Activities (one additional Professional category position each), as well as in social dialogue and occupational safety and health in the regions, as follows:

	US\$
Statistics	526 776
Economic analysis	526 776
Employers' activities	526 776
Social dialogue	316 668
Occupational safety and health	316 668
<b>Total</b>	<b>2 213 664</b>

8. It is proposed to finance this increase through the following redeployments: a reduction in the duration of the March Governing Body session in odd years (\$500,000); fewer but higher profile publications and related communication (\$160,000); a reduction in the budget of the Century Project (\$342,000); lower management and administrative costs resulting from the merger of the Department of Facilities Management and the Central Services Department (\$685,000); and reprofiling of an administrative professional position in the policy portfolio (\$527,000).

### **Draft decision**

#### **9. The Governing Body:**

- (a) *recommends to the International Labour Conference at its 102nd Session (June 2013) a provisional programme level of \$864,006,872 estimated at the 2012–13 budget exchange rate of 0.84 Swiss francs to the US dollar, the final exchange rate and the corresponding US dollar level of the budget and Swiss franc assessment to be determined by the Conference; and*

- (b) proposes to the Conference at the same session a resolution for the adoption of the programme and budget for the 74th financial period (2014–15) and for the allocation of expenses among member States in that period in the following terms:***

The General Conference of the International Labour Organization, in virtue of the Financial Regulations, passes for the 74th financial period, ending 31 December 2015, the budget of expenditure for the International Labour Organization amounting to \$..... and the budget of income amounting to \$....., which, at the budget rate of exchange of Swiss francs ..... to the US dollar amounts to Swiss francs ....., and resolves that the budget of income, denominated in Swiss francs, shall be allocated among member States in accordance with the scale of contributions recommended by the Finance Committee of Government Representatives.

## Appendix I

### Revised strategic budget: Proposed expenditure budget by appropriation line

	Revised strategic budget 2012–13 <sup>1</sup>	Adjusted proposed strategic budget 2014–15	Adjusted proposed strategic budget 2014–15
	(in US\$)	(in constant 2012–13 US\$)	(recosted (US\$))
<b>Part I. Ordinary budget</b>			
A. Policy-making organs	93 292 325	92 493 577	91 759 515
B. Strategic objectives	652 873 774	655 304 011	656 298 087
Employment	202 273 352	204 235 404	204 545 223
Social protection	132 246 112	132 442 103	132 643 013
Social dialogue	186 114 727	186 364 867	186 647 577
Standards	132 239 583	132 261 637	132 462 274
C. Management services	70 953 136	69 201 647	68 280 474
D. Other budgetary provisions	47 133 896	47 253 896	50 158 749
Adjustment for staff turnover	-7 302 917	-7 302 917	-7 189 961
<b>Total Part I</b>	<b>856 950 214</b>	<b>856 950 214</b>	<b>859 306 864</b>
<b>Part II. Unforeseen expenditure</b>			
Unforeseen expenditure	875 000	875 000	875 000
<b>Part III. Working Capital Fund</b>			
Working Capital Fund			
<b>Total (Parts I–III)</b>	<b>857 825 214</b>	<b>857 825 214</b>	<b>860 181 864</b>
<b>Part IV. Institutional investments and extraordinary items</b>			
Institutional investments and extraordinary items	3 794 786	3 794 786	3 825 008
<b>TOTAL (Parts I–IV)</b>	<b>861 620 000</b>	<b>861 620 000</b>	<b>864 006 872</b>

<sup>1</sup> To facilitate comparison with 2014–15 figures, the 2012–13 budget was revised to reflect the consolidation of IRIS support resources with other IT resources within the strategic objectives.

## Appendix II

### Adjustments to the operational budget for 2014–15

	Revised 2012–13 budget	Budget proposals 2014–15	Proposed adjustments	Revised budget proposals 2014–15
(in constant 2012–13 US\$)				
<b>PART I</b>				
<b>Policy-making organs</b>				
International Labour Conference	16 618 283	16 618 283		16 618 283
Governing Body	6 873 784	6 873 784	(500 000)	6 373 784
Major Regional Meetings	370 223	370 223		370 223
Legal Services	4 081 796	4 061 883		4 061 883
Relations, meetings and document services	65 348 239	65 069 404		65 069 404
	<b>93 292 325</b>	<b>92 993 577</b>	<b>(500 000)</b>	<b>92 493 577</b>
<b>Strategic objectives</b>				
<b>Technical programmes</b>				
Employment	57 450 374	57 934 075		57 934 075
Social protection	41 013 175	41 003 480		41 003 480
Social dialogue	32 441 839	32 174 741		32 174 741
Standards and fundamental principles and rights at work	44 340 989	44 270 438		44 270 438
<b>Employers' and workers' organizations</b>				
Employers' activities	9 241 531	9 241 531	526 776	9 768 307
Workers' activities	22 331 448	22 160 124		22 160 124
	<b>31 572 979</b>	<b>31 401 655</b>	<b>526 776</b>	<b>31 928 431</b>
<b>Institutional capacities</b>				
International Institute for Labour Studies	7 128 495	7 128 495	25 184	7 128 495
International Training Centre of the ILO, Turin	8 746 672	8 746 672		8 746 672
Technical Meetings Reserve	493 226	443 226		443 226
South–South and Triangular Cooperation	1 556 926	1 700 000		1 700 000
	<b>86 553 394</b>	<b>86 140 309</b>	<b>25 184</b>	<b>86 165 493</b>
<b>Total technical programmes</b>	<b>293 372 750</b>	<b>292 924 698</b>	<b>551 960</b>	<b>293 476 658</b>
<b>Regions</b>				
Programmes in Africa	79 119 632	79 119 632	194 986	79 314 618
Programmes in the Americas	64 299 042	64 299 042	158 462	64 457 504
Programmes in Arab States	16 540 100	16 540 100	40 762	16 580 862
Programmes in Asia and the Pacific	71 798 239	72 325 015	178 242	72 503 257
Programmes in Europe and Central Asia	24 704 822	24 704 822	60 884	24 765 706
	<b>256 461 835</b>	<b>256 988 611</b>	<b>633 336</b>	<b>257 621 947</b>

	Revised 2012–13 budget	Budget proposals 2014–15	Proposed adjustments	Revised budget proposals 2014–15
(in constant 2012–13 US\$)				
<b>Support services</b>				
Information Technology and Communications	40 835 920	43 717 946		43 717 946
Facilities Management	25 746 071	25 264 152	(342 648)	24 921 504
Central Services, Security and Protocol	33 277 451	32 743 859	(342 648)	32 401 211
Procurement	3 179 747	3 164 745		3 164 745
	<b>103 039 189</b>	<b>104 890 702</b>	<b>(685 296)</b>	<b>104 205 406</b>
<b>Total strategic objectives</b>	<b>652 873 774</b>	<b>654 804 011</b>	<b>500 000</b>	<b>655 304 011</b>
<b>Management services</b>				
General Management	10 374 213	8 887 230		8 887 230
Deputy Director-General Management and Reform	1 835 744	1 827 667		1 827 667
Human Resources Development	27 160 222	27 049 478		27 049 478
Financial Services	19 297 458	19 204 725		19 204 725
Programming and Management	5 550 495	5 524 155		5 524 155
	<b>64 218 132</b>	<b>62 493 255</b>	<b>0</b>	<b>62 493 255</b>
<b>Oversight and evaluation</b>				
Internal Audit and Oversight	2 882 105	2 868 615		2 868 615
Independent Oversight Advisory Committee	416 185	416 185		416 185
Ethics function	243 269	242 396		242 396
Evaluation	3 193 445	3 181 196		3 181 196
	<b>6 735 004</b>	<b>6 708 392</b>	<b>0</b>	<b>6 708 392</b>
Other budgetary provisions	47 133 896	47 253 896		47 253 896
Adjustment for staff turnover	-7 302 917	-7 302 917		-7 302 917
<b>Total PART I</b>	<b>856 950 214</b>	<b>856 950 214</b>	<b>0</b>	<b>856 950 214</b>
<b>PART II. UNFORESEEN EXPENDITURE</b>				
Unforeseen expenditure	875 000	875 000		875 000
<b>PART III. WORKING CAPITAL FUND</b>				
Working Capital Fund				
<b>TOTAL (PARTS I–III)</b>	<b>857 825 214</b>	<b>857 825 214</b>	<b>0</b>	<b>857 825 214</b>
<b>PART IV. INSTITUTIONAL INVESTMENTS AND EXTRAORDINARY ITEMS</b>				
Accommodation	3 794 786	3 794 786		3 794 786
<b>TOTAL PART IV</b>	<b>3 794 786</b>	<b>3 794 786</b>	<b>0</b>	<b>3 794 786</b>
<b>TOTAL (PARTS I–IV)</b>	<b>861 620 000</b>	<b>861 620 000</b>	<b>0</b>	<b>861 620 000</b>

## Appendix III

### Provisional programme level for 2014–15 resulting from the adjustments proposed by the Director-General (in constant US\$)

		2014–15 provisional level (US\$)		
Part I.	Ordinary budget	856 950 214		
Part II.	Unforeseen expenditure	875 000		
Part III.	Working Capital Fund	–		
Part IV.	Institutional investments and extraordinary items	<u>3 794 786</u>		
Provisional programme level (in constant dollars)		861 620 000		
Cost increases				
	Initial cost increases	2 391 070		
	Reduction in cost increase due to programme adjustments	<u>-4 198</u>		
	New proposal	<u>2 386 872</u>		
	<i>Total adjustments</i>	-4 198		
Provisional programme level (recosted)		<u><u>864 006 872</u></u>		
Comparison with 2012–13 programme and budget				
		2012–13 budget	2014–15 provisional level (in US dollars)	Increase/(decrease) compared with 2012–13
Part I.	Ordinary budget	856 950 214	856 950 214	–
	Cost increase		2 356 650	2 356 650
Part II.	Unforeseen expenditure	875 000	875 000	–
Part III.	Working Capital Fund		–	–
Part IV.	Institutional investments and extraordinary items	3 794 786	3 794 786	–
	Cost increase		30 222	30 222
Total budget (Parts I–IV)		<u>861 620 000</u>	<u>864 006 872</u>	<u>2 386 872</u>