



Eleventh sitting

Wednesday, 10 June 2015, 3.10 p.m.

President: Mr Mero

SECOND REPORT OF THE FINANCE COMMITTEE OF GOVERNMENT REPRESENTATIVES: SUBMISSION AND APPROVAL

The PRESIDENT

The item now before us is the submission and approval of the second report of the Finance Committee of Government Representatives, which is contained in *Provisional Record* No. 8-2. The report provides a brief account of the Committee's deliberations on a number of financial matters, including the Programme and Budget proposals for 2016–17 and the allocation of the budget of income among member States.

I invite the Chairperson and Reporter of the Finance Committee, Mr Hamza Khelif of Algeria, to present the report.

Original French: Mr KHELIF (Chairperson and Reporter of the Finance Committee of Government Representatives)

I have the honour to submit to the Conference the second report of the Finance Committee of Government Representatives. The report is set out in *Provisional Record* No. 8-2 and it contains recommendations that have been formulated by the Committee on the matters brought before it. The six resolutions submitted by the Committee for adoption by the Conference may be found at the end of the report.

The main item on the Committee's agenda was the Programme and Budget proposals for 2016–17, which were put forward by the Governing Body at its 323rd Session in March 2014.

It is my pleasure to inform you that the Committee has broadly endorsed the programme and budget proposals by the Director-General and the ILO. The members of the Committee commended the Office on its strategic programme containing ten policy outcomes, with three enabling outcomes and three cross-cutting policy drivers. They also welcomed the consultations that had been organized since the 323rd Session of the Governing Body, in response to the concerns raised by constituents at that session. The consultations resulted in the revision of the targets and provisional baselines detailed in the

Addendum to the Director-General's Programme and Budget proposals for 2016–17 presented in Appendix III to Report II.

The Committee expressed its appreciation to the Office for the achievement of a zero-growth budget proposal and accordingly recommended the adoption of the proposed budget for 2016–17. I would like to appeal to you all, Governments, Employers and Workers alike, to give your full support to the resolution on the Programme and Budget for 2016–17.

The Committee also considered the proposed scale of assessments of contributions to the ordinary budget of the ILO for 2016 and recommended that the Conference should adopt the ILO scale of assessments for 2016 based on the United Nations (UN) scale.

The Committee had before it the financial report and the audited consolidated financial statements for the year ended 31 December 2014. It noted that the External Auditor had given an unmodified audit opinion on the financial statements, which, for the third time, were fully compliant with the International Public Sector Accounting Standards (IPSAS). The Committee echoed the Governing Body's appreciation for the significant efforts made by the Office to simplify the financial statements, thus enhancing the readability of the statements for those such as myself who are neither specialists in the field nor accountants. While acknowledging that the level and variability of after-service health insurance (ASHI) depended on a number of factors that lay beyond the control of the ILO, the Committee encouraged the Office to continue its engagement in the discussions under way within the wider UN system and to consider cost-containment measures. Based on the positive recommendation made by the Governing Body, as reflected in its minutes presented to the Committee, the Committee had no hesitation in proposing that the financial report and audited consolidated financial statements for the year ended 31 December 2014 should be adopted, in accordance with article 29 of the Financial Regulations.

The Committee considered the Governing Body's recommendation for the partial financing of the renovation of the ILO headquarters building through a loan from the Fondation des immeubles pour les organisations internationales (FIPOI) for not more than 130 million Swiss francs (CHF). Having taken note of the Governing Body's consideration of the revised financial plan, the Committee recommended that the Director-General should be authorized by the Conference to contract that loan.

The Committee had before it proposals concerning the composition of the ILO Administrative Tribunal and of the ILO Staff Pension Committee. It unanimously accepted the recommendations from the Governing Body and the Workers' group, and recommended that the Conference should adopt the two proposed resolutions.

The Committee also considered a request from the Government of Uzbekistan to recover its right to vote. The Committee's recommendations were communicated to the Conference yesterday in *Provisional Record* No. 8-1.

I would like to express my thanks to the members of the Committee and also to the members of the secretariat for their support throughout my tenure as Chairperson of the Committee. I would also like to acknowledge the work behind the scenes by all those involved in the preparation of the texts to which we gave our attention and the report which we are presenting today. I also would like to recognize the work of the interpreters, report writers and translators. With those remarks, I commend the report and the resolutions contained therein to the Conference for adoption.

The PRESIDENT

The moment of voting on its budget is always an important one in the life of any organization. The strong consensus in the Finance Committee is certainly a clear sign of support for our Director-General's policy orientations.

As there are no requests to take the floor, we will now move on to the approval of the second report of the Finance Committee of Government Representatives. If there are no objections, may I take it that the Conference approves the second report of the Finance Committee, paragraphs 1–56, and its Appendices I–V?

(The report – paragraphs 1–56 and Appendices I–V – is approved.)

RESOLUTION CONCERNING THE ADOPTION OF THE PROGRAMME AND BUDGET FOR 2016–17 AND THE ALLOCATION OF THE BUDGET OF INCOME AMONG MEMBER STATES: ADOPTION

The PRESIDENT

We shall now proceed to the adoption of the resolutions. The first is the resolution concerning the

adoption of the Programme and Budget for 2016–17 and the allocation of the budget of income among member States. If there are no objections, may I take it that this resolution is adopted?

(The resolution is adopted.)

The PRESIDENT

I should like to remind the Conference that the record vote on the resolution concerning the adoption of the Programme and Budget for 2016–17 and the allocation of the budget of income among member States will be held on the morning of Friday 12 June.

RESOLUTION CONCERNING THE FINANCIAL REPORT AND AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014: ADOPTION

The PRESIDENT

We now move on to the resolution concerning the financial report and audited consolidated financial statements for the year ended 31 December 2014. If there are no objections, may I take it that this resolution is adopted?

(The resolution is adopted.)

RESOLUTION CONCERNING THE SCALE OF ASSESSMENTS OF CONTRIBUTIONS TO THE BUDGET FOR 2016: ADOPTION

The PRESIDENT

Let us continue with the resolution concerning the scale of assessments of contributions to the budget for 2016. If there are no objections, may I take it that the Conference adopts this resolution?

(The resolution is adopted.)

RESOLUTION CONCERNING FINANCING OF THE RENOVATION OF THE ILO HEADQUARTERS BUILDING: ADOPTION

The PRESIDENT

We now come to the resolution concerning financing of the renovation of the ILO headquarters building. If there are no objections, may I take it that this resolution is adopted?

(The resolution is adopted.)

RESOLUTION CONCERNING THE COMPOSITION OF THE ADMINISTRATIVE TRIBUNAL OF THE INTERNATIONAL LABOUR ORGANIZATION: ADOPTION

The PRESIDENT

We now turn to the resolution concerning the composition of the Administrative Tribunal of the International Labour Organization. If there are no objections, may I take it that the Conference adopts this resolution?

(The resolution is adopted.)

**RESOLUTION CONCERNING APPOINTMENTS TO THE
ILO STAFF PENSION COMMITTEE (UNITED NATIONS
JOINT STAFF PENSION BOARD): ADOPTION**

The PRESIDENT

Finally, we come to the resolution concerning appointments to the ILO Staff Pension Committee (United Nations Joint Staff Pension Board). If there

are no objections, may I take it that the Conference adopts this resolution?

(The resolution is adopted.)

On behalf of the Conference, once again, I should like to thank the Committee for its hard work, both its members and the secretariat. The Conference is grateful to you all.

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