



Governing Body

347th Session, Geneva, 13–23 March 2023

Policy Development Section

POL

Development Cooperation Segment

Date: 15 February 2023

Original: English

Third item on the agenda

Mid-term review of the ILO Development Cooperation Strategy (2020–25)

Purpose of the document

This document presents the mid-term review of the ILO Development Cooperation Strategy 2020–25 and its implementation plan. It follows up on the decision taken by the Governing Body at its 340th Session (2 to 14 November 2020), in which it requested the Office to undertake a mid-term review of the Strategy and its implementation plan in 2023. The review allows the Governing Body to assess progress in the four pillars of the Strategy: (i) services to constituents; (ii) partnerships for policy coherence; (iii) partnerships for funding; and (iv) efficiency, decent work results and transparency, and to guide the Office in the Strategy's continued implementation. The Governing Body is invited to take note of the mid-term review of the Strategy and its implementation plan and to request the Director-General to consider the Governing Body's guidance in the next phase of the Strategy's implementation (see the draft decision in paragraph 38).

Relevant strategic objective: All.

Main relevant outcome: Enabling outcome A: Authoritative knowledge and high-impact partnerships for promoting decent work.

Policy implications: None.

Legal implications: None.

Financial implications: None.

Follow-up action required: Yes.

Author unit: Partnerships and Field Support Department (PARDEV).

Related documents: GB.340/POL/6; GB.341/POL/4; GB.346/INS/8; GB.347/PFA/1; GB.347/INS/4.

▶ I. Background

1. In November 2020, the Governing Body requested the Office to submit, in 2023, a mid-term review of the ILO Development Cooperation Strategy 2020–25 and its implementation plan. This review presents information on the progress made three years into the six-year Strategy (2020–25) and its implementation plan.
2. The present report draws on the core elements of the ILO Development Cooperation Strategy 2020–25 and its implementation plan. The implementation plan relies and builds on existing ILO results frameworks, such as the outputs and indicators in the respective programmes and budgets. This review will therefore complement, not duplicate, the established structure of strategic reporting to the Governing Body that takes place through the programme implementation reports, evaluation reports, evaluation synthesis reviews and meta-studies of the ILO's effectiveness in achieving decent work results, and other ILO action plans.
3. The report first provides an overall assessment of the Office's progress in implementing the Strategy. It then provides updates on the Office's action under the four pillars of the Strategy: (i) services to constituents; (ii) partnerships for policy coherence; (iii) partnerships for funding; and (iv) efficiency, decent work results and transparency. Finally, the report suggests a way forward for the Strategy and its implementation plan until 2025.
4. The present report should be read in conjunction with other items on the agenda of the Governing Body at its current session, in particular the Director-General's Programme and Budget proposals for 2024–25 and the update on the Global Coalition for Social Justice.

Today's challenges call for effective development cooperation

5. Since the last time the Governing Body discussed this item, the development cooperation context has changed. The multiplicity of crises facing the world today – conflict, the continuing COVID-19 pandemic, the cost-of-living crisis and climate change – is shifting geopolitical interests and presenting a challenge to the multilateral system. This has an impact on the development cooperation context and amplifies the need for different types of finance and partnerships. Funding, especially for development purposes, is under strain, and funding partners face political and fiscal challenges to maintain official development assistance contributions. Although total official development assistance increased by 8.5 per cent in 2021, this increase was mainly directed towards COVID-19 support such as vaccine donations, humanitarian aid and macroeconomic support.¹ Resources are still far from the level needed for the UN development system to fulfil its mandate and help to achieve the Sustainable Development Goals (SDGs).²
6. Effective development cooperation, guided by the principles of country ownership, a focus on results, inclusive partnerships, transparency and mutual accountability, matters more than ever. Stakeholders of the Global Partnership for Effective Development Cooperation reasserted

¹ Organisation for Economic Co-operation and Development (OECD), "Official Development Assistance (ODA)".

² Dag Hammarskjöld Foundation, *Financing the UN Development System: Joint Responsibilities in a World of Disarray*, 2022.

their commitment to putting these principles into action at the 2022 Effective Development Cooperation Summit held in Geneva from 12 to 14 December 2022.³

► II. Review

Development cooperation is a key means of ILO action

7. The ILO cannot support its constituents in achieving decent work results, especially at the country level, without development cooperation. ILO development cooperation supports about 120 countries and territories. All ILO resources (assessed and voluntary contributions) are used to deliver on ILO priorities established at the country and global levels in consultation with constituents. In 2020–22, voluntary contributions represented almost half of the total budget for the ILO's work.⁴
8. Taking into consideration the changes in the development cooperation landscape since 2020, the Strategy and its implementation plan remain highly relevant. On taking office in 2022, the Director-General reaffirmed the importance of development cooperation in advancing social justice and decent work. Key elements of the Strategy are reflected in the Programme and Budget proposals for 2024–25, which place a focus on multilateral coherence and financing, expanded partnerships and development cooperation in support of the policy outcomes. The four priority action programmes – transitions from the informal to the formal economy; just transitions towards environmentally sustainable economies and societies; decent work in supply chains; and decent work for crisis response – are closely related to the development agendas of the ILO's partners. The priority action programmes, together with the Global Accelerator on Jobs and Social Protection for Just Transitions (Global Accelerator), could be entry points for leveraging advocacy, convergence of policies and financing, funding for ILO assistance, and multilateral cooperation, all of which will be essential for realizing the Global Coalition for Social Justice.

Progress to date and need for accelerated action and results

9. According to an assessment of the ILO conducted by the Multilateral Organisation Performance Assessment Network (MOPAN) in 2021, "The ILO is seen as an important value-added to the UN System, with its tripartite structure including labour union and employers' representatives, its technical expertise, and its normative work around labour standards. The organisation's programmes mobilise increasingly diverse partnerships that offer ILO great growth potential; in particular, partnerships with IFIs [international financial institutions], which amplify the impact of the ILO's normative work by helping to translate these norms into practice."⁵
10. The MOPAN 2021 assessment found that the ILO was a strong partner and a self-critical organization that brought social dialogue to the UN and had strong evaluation and results-based management. However, it further indicated, among others, the need to improve the ILO's intervention design and invest in cross-cutting issues, notably environment and climate

³ Global Partnership for Effective Development Cooperation, "2022 Effective Development Co-operation Summit Declaration", 14 December 2022.

⁴ Based on actual expenditures in 2020–22.

⁵ Multilateral Organisation Performance Assessment Network (MOPAN), "MOPAN Assessment of the ILO: Overview", 2021.

change, sexual exploitation, abuse and harassment (SEAH) and accountability to end-beneficiaries. In addition, the Organization must develop new solutions to increase its field capacity.⁶

11. The Office’s internal system for coordinating and monitoring implementation of the Strategy was established in response to the Governing Body’s request. The system improves the tracking of progress and increases exchanges on development cooperation and partnerships across the regions and with headquarters. Mid-way through the Strategy’s implementation, significant progress has been made in each of its four pillars (see tables 1–4). Further details are provided in the sections below.

► III. Updates on the four pillars of the Strategy

III.1. Pillar 1: Services to constituents

► Table 1. Pillar 1: Outcome and action areas

Outcome: Services to constituents ensure country ownership, relevance, focus, sustainability and impact				
Action 1: Development cooperation services respond to identified capacity-development needs of tripartite constituents based on priorities and institutional capacity-development plans.	Action 2: Strengthen constituents’ ownership of needs-driven Decent Work Country Programmes, development cooperation programmes and projects.	Action 3: Support the effective engagement of ILO constituents in UN programming and partnership processes at the country level.	Action 4: Promote and expand capacity development and peer-to-peer exchanges for the promotion of decent work between constituents and other partners through South–South cooperation and South–South and triangular cooperation (SSTC) modalities and partnerships.	Progress: Constituents’ capacity has been strengthened regarding engagement with UN programming and partnerships at the country level and through SSTC in targeted policy areas. The development of guidance for ILO staff on capacity development of ILO constituents and their involvement in project design and implementation needs to be accelerated.

Services respond to capacity-development needs of tripartite constituents

12. In line with the ILO-wide strategy for institutional capacity development, the Office is formulating guidance on capacity development with a focus on needs assessments and innovative approaches. To ensure that evaluations systematically review capacity-development initiatives, in 2022 the Office finalized a guidance note on the evaluation of capacity development,⁷ setting out common principles and requirements for the evaluation of capacity-development initiatives. Such evaluation findings will inform and improve the ILO’s future capacity-development and technical assistance initiatives. The dedicated programme to

⁶ (MOPAN), “MOPAN Assessment of the International Labour Organization (ILO)”.

⁷ ILO, *Guidance Note on the Evaluation of Capacity Development*, 2022.

strengthen the institutional capacity of employers' and workers' organizations, as foreseen in the Programme and Budget proposals for 2024–25, is aimed at consolidating ILO support for social partner organizations, mobilizing resources for this purpose and strengthening alliances with development partners.

Constituents' ownership strengthened

13. Consultation with constituents at the initial design stage of interventions is crucial to ensure their ownership of needs-driven development cooperation. Enhanced efforts, especially at the country level, are required to promote the co-creation of development cooperation interventions and stronger collaboration between constituents, the ILO and development partners during their implementation. Increased upfront support for designing development cooperation proposals, accompanied by a help desk and a collaborative design platform, are part of the improved organizational processes enabling ILO staff to better consult across the Office, including with workers' and employers' specialists. Constituents' participation in the governance of development cooperation is also being supported. As at 15 September 2022, 52 of the 55 active Decent Work Country Programmes (DWCPs) had established a tripartite steering committee in charge of monitoring progress and results.
14. Social dialogue is a key element for ensuring constituents' ownership. Some development cooperation projects focus on promoting and enhancing constituents' capacity for social dialogue, while others take a more mainstreamed approach, using social dialogue as a means of action. As part of the ILO plan of action on social dialogue and tripartism for the period 2019–23, the Office set up an internal advisory group to develop a user-friendly toolkit for mainstreaming social dialogue across ILO policy outcomes and in DWCPs and projects.
15. Further action is required, including through social dialogue, to ensure the participation and ownership of the three constituent groups in the design, implementation and evaluation of projects.

Effective engagement of ILO constituents in UN programming and partnerships

16. At the 346th Session of the Governing Body (October–November 2022), the Office reported on ILO constituents' engagement in UN programming and partnerships, as part of the update on the UN reform.⁸ Regional ILO initiatives have aimed to increase the awareness of UN resident coordinators and UN country teams regarding social partners' engagement in Common Country Analysis and United Nations Sustainable Development Cooperation Framework (UNSDCF) processes. In parallel, support tools have been developed or updated to facilitate the integration of the Decent Work Agenda in UN processes. These include the ongoing update of the Decent Work for Sustainable Development Resource Platform; the Trade Union Reference Manual on UN sustainable development cooperation and the Decent Work Agenda;⁹ a trade union e-learning course on the UNSDCF and the Decent Work Agenda benefiting 475 participants, organized in collaboration with the International Training Centre of the ILO (ITCILO);¹⁰ the joint UN package on human rights training, including international

⁸ GB.346/INS/8.

⁹ ILO, *United Nations Sustainable Development Cooperation and the Decent Work Agenda: A Trade Union Reference Manual*, 2020.

¹⁰ ITCILO, "Trade Union eLearning Course on the UNSDCF and the Decent Work Agenda".

labour standards; the SDG–UN reform training package through a South–South approach;¹¹ and the ILO’s contribution to the UN Inter-Agency Common Learning Package on human rights-based approach, gender equality and women’s empowerment, and leaving no one behind. Over 530 constituent representatives have also received training on evaluation in the context of the SDGs and the UN.¹² UN resident coordinators and UN country teams have a new self-assessment tool to improve the integration of human rights, including international labour standards and ILO supervisory body comments, in Common Country Analyses and UNSDCF’s. The ILO also supports the preparation of normative stocktaking reports setting out the relevance of standards and supervisory body comments for national development priorities. This is done through training delivered to constituents and ILO staff in countries in which UNSDCF’s have been rolled out, notably in Asia and the Pacific, and Africa, in collaboration with the ITCILO.

South–South and triangular cooperation promotes decent work

17. South–South and triangular cooperation (SSTC) development initiatives have strengthened constituents’ capacity to promote access to decent work while exploring new SSTC funding and non-funding partnerships thanks to support provided by, among others, Brazil, China, India and Panama. Since 2020, the ILO, in collaboration with the ITCILO, has launched 70 SSTC projects across the five regions, covering 85 countries and global activities. These projects have promoted peer exchanges in areas such as employment services, migration, women’s economic empowerment, employment policies, skills, combating child labour, green jobs, the SDGs and UN reform, informality, occupational safety and health, sustainable tourism and disaster risk reduction. The ILO has also supported the recommendations of the Inter-Agency Mechanism of the United Nations Office for South–South Cooperation issued in 2021 and the follow-up to the UN Conference on South–South Cooperation organized under the Buenos Aires Plan of Action by supporting peer learning on good practices and tools on the South–South Meeting Point,¹³ as well as at the Global South–South Development Expo 2022.¹⁴

¹¹ South–South Meeting Point, “E-course: Agenda 2030, the UN Reform and Decent Work with a South–South approach”.

¹² ILO, “Evaluating the Decent Work Agenda in the SDG era: A training programme for Constituents”.

¹³ South–South Meeting Point.

¹⁴ “Global South–South Development Expo 2022”.

III.2. Pillar 2: Partnerships for policy coherence

► Table 2. Pillar 2: Outcome and action areas

Outcome: Decent work promoted through closer convergence of policy action, underpinned by adequate capacities and financing				
<p>Action 1: Promote the ILO’s comparative advantage and Decent Work Agenda in global multi-stakeholder partnerships, alliances and networks, including with the UN at the global, regional and country levels.</p>	<p>Action 2: Increase collaboration with international financial institutions (IFIs), including regional multilateral development banks, for greater policy coherence as well as in pursuit of financing of decent work outcomes at the country level.</p>	<p>Action 3: Develop constituents’ capacities and foster ILO partnerships with development actors within the framework of financing initiatives and integrated national financing frameworks that promote decent work.</p>	<p>Action 4: Increase collaboration with the private sector and other non-State actors (such as non-governmental organizations or universities) to leverage respective capabilities, knowledge and expertise in pursuit of the ILO’s decent work objectives.</p>	<p>Progress: Partnerships for policy coherence and financing of policies have been forged, with the Global Accelerator at their core. Expanded ILO services for constituents on policy support and financing and the inclusion of decent work in integrated national financing frameworks and UNSDCF are needed.</p>

The ILO’s comparative advantage and Decent Work Agenda promoted in multi-stakeholder partnerships, alliances and networks

18. The ILO has engaged in partnerships at the global, regional and national levels to advance agendas on employment, social protection, child and forced labour, migration, social finance, skills, occupational safety and health, and just transition. ILO constituents are associated with a wide range of partners, including from the UN development system, IFIs and a broad spectrum of stakeholders. They have participated in research, knowledge-sharing, capacity-building and country pilot programmes. For instance, the Social Protection Inter-Agency Cooperation Board and the Global Partnership for Universal Social Protection to Achieve the Sustainable Development Goals developed a set of assessment tools to design and implement partners’ analysis and policy recommendations, while the Climate Action for Jobs Initiative created a global innovation hub on just transition and a pooled funding mechanism for country-level technical assistance. Within the framework of Alliance 8.7 and in follow-up to the Durban Call to Action on the Elimination of Child Labour, 30 pathfinder countries have accelerated action on child and forced labour, including by promoting South-South cooperation in the regional initiative Latin America and the Caribbean Free of Child Labour. At the regional level, the multi-stakeholder partnership approach and modality has been used to engage with essential partners such as the Association of Southeast Asian Nations and the African Union.

Increased collaboration with international financial institutions

19. The Office has increased collaboration with IFIs, including regional multilateral development banks. For example, in 2021 the ILO and the International Monetary Fund agreed to promote the achievement of SDG targets 1.3, on implementing nationally appropriate social protection systems and measures for all, and 3.8, on achieving universal health coverage, by endorsing adequate, sustainable and sound financing of social protection systems, including social

spending floors and the extension of social protection to all. Cooperation with the African Development Bank (AfDB) is being strengthened both at the country and regional levels. For instance, the ILO and the AfDB have jointly developed a “jobs marker” for AfDB investments that also has replication potential for investments by other IFIs. In 2022, the ILO and the Asian Development Bank partnered to advance decent work at the country level, with a focus on social protection. The Asian Development Bank has also sought the expertise of the ILO on fundamental principles and rights at work as part of its work on social standards in supply chain financing. In Latin America, the ILO and the Development Bank of Latin America have jointly improved national skills development policies by creating national qualification frameworks. Finally, the ILO’s partnership with the Islamic Development Bank ¹⁵ has set the stage for the advancement of the ILO’s work in research and statistics, capacity development, youth empowerment and gender equality, and SSTC.

Engaging social partners in the debates on financing decent work

20. The ILO is supporting research on new financing strategies and guidance on more inclusive integrated national financing frameworks that would include the perspectives of social partners in sustainable budgeting as key additional tools to support and guide policy decisions, while sharing good practices at the regional and subregional levels.
21. In collaboration with the ITCILO, several editions of the course on financing for decent work through SSTC ¹⁶ have strengthened constituents’ capacity to engage effectively in financing dialogues and to connect with subregional financing processes linked with the Decent Work Agenda. The ILO’s lead role in the Global Accelerator offers great potential for advancing integrated policy solutions and the financing agenda in partnership with constituents, the UN, the World Bank and other IFIs, as well as multi-bilateral partners.

Increased collaboration with the private sector

22. Together with companies and other non-State actors, the ILO has promoted policy coherence and cooperation in textile and food supply chains, particularly in Africa and Asia. The ILO Global Business and Disability Network has also increased its outreach in supply chains. Since 2020, an additional 15 multinational enterprises have joined the Network, bringing the total number of enterprises involved to 36, as well as four national business and disability networks created with support provided by the Network.

¹⁵ Islamic Development Bank, “[IsDB and ILO Sign MoU to Facilitate Cooperation](#)”, 14 November 2022.

¹⁶ South–South Meeting Point, “[Financing Decent Work: A Global South Perspective](#)”.

III.3. Pillar 3: Partnerships for funding

▶ Table 3. Pillar 3: Outcome and action areas

Outcome: Voluntary funding has provided the Office with valuable means to respond to constituents' needs and to do so strategically and with agility			
<p>Action 1: Enhance the integration of ILO development cooperation into the ILO programme of work by mobilizing resources based on clearly defined ILO funding needs per policy outcome, major theme or country/region.</p>	<p>Action 2: Expand voluntary funding sources and modalities for unearmarked and lightly earmarked funding.</p>	<p>Action 3: Expand and diversify voluntary funding sources and partnerships.</p>	<p>Progress: Funding for the ILO's work has been maintained at previous years' levels despite an increasingly competitive funding environment, mostly through earmarked contributions. More efforts should be directed towards diversifying voluntary funding sources, including with IFIs, domestic funding, private sector and other non-State actors, emerging partners and SSTC partners.</p>

Resources mobilized for the ILO programme of work

23. In line with the UN Funding Compact, the Office has piloted two structured funding dialogues on social protection¹⁷ and skills development¹⁸ respectively. These strategic dialogues bring together constituents, development and funding partners and ILO staff around clearly defined ILO partnership and funding needs for a policy outcome or a large development cooperation programme. They have resulted in an enhanced ILO offer on multi-partner and pooled funding modalities, as well as an increased interest from funding partners in modalities that provide efficiency and effectiveness gains, and opportunities for coherent action. The Office will apply the lessons learned in its resource mobilization for 2024–25, for example regarding themes covered in the priority action programmes.
24. Communication is essential for resource mobilization and partnerships. Through the ILO Voices platform, "ILO in action" videos and impact stories more broadly, the Office has implemented a sustained communication campaign to raise the visibility of its development cooperation programmes and projects and their impact. The objective is to highlight current partnerships and provide potential partners with evidence that the ILO is a credible and attractive development partner offering value for money. These communication efforts promote work related to a particular major policy outcome or theme and are timed to coincide with related international days and events and when issues concerning the world of work are on the global news agenda. Further strategic communication efforts demonstrating the ILO's comparative advantage will be continued in 2023 and beyond, including in relation to the priority action programmes.

¹⁷ ILO, "ILO's Global Flagship Programme on Building Social Protection Floors for All Launches its Second Phase, Extending Support to 50 Focus Countries and Aiming to Improve the Lives of 60 Million People", 7 October 2021.

¹⁸ ILO, "ILO Skills Structured Funding Dialogue".

Unearmarked and lightly earmarked funding represent a small share of voluntary contributions to the ILO

25. Core voluntary funding (regular budget supplementary account (RBSA)) and lightly earmarked funding represent a relatively small share of the ILO's voluntary funding, with most voluntary contributions provided for specific projects. Consistent efforts have been made to promote the RBSA modality with funding partners. The ILO received US\$50.9 million in RBSA contributions in 2020–22 from Belgium, Denmark, France (which joined the group of RBSA funding partners in 2020), Germany, Italy, Luxembourg, the Netherlands, Norway and Sweden, representing an increase of more than US\$17 million compared with 2017–19. The Office has prepared regular updates on the results and impact of RBSA investments across a selection of countries, including through a virtual country visit to Egypt in 2021 and an in-person country visit to Côte d'Ivoire in 2022, which also promoted the modality with potential contributors to the RBSA.¹⁹ The Office is continuously improving the strategic use of the valuable RBSA resources, building on regular reviews and evaluations, inter alia, to leverage RBSA contributions for enhanced country-level partnerships and financing. Only a few funding partners provide lightly earmarked contributions. For instance, Sweden supports cross-cutting themes such as the humanitarian-development-peace nexus, climate change and gender equality, and Norway funds ILO policy outcomes on social dialogue, skills and gender equality.

Voluntary funding sources maintained

26. The period 2020–22 has illustrated the strength of the ILO's partnerships as funding partners continued to contribute to the ILO's work despite the negative economic impact of the COVID-19 pandemic. The Office's new approvals²⁰ of voluntary funding in 2020–22 totalled just over US\$1 billion, with an average of US\$340 million per year, continuing a trend of increasing approvals observed since 2017. Overall, working to end child labour and forced labour, social protection, skills, employment-intensive investment and enterprise development were among the most funded areas of work in 2020–22.
27. A total of 20 funding partners accounted for almost 96 per cent of voluntary contributions, with the European Commission, the United States of America and the UN being the three largest contributors. In line with long-standing trends, multi-bilateral development partners remained the largest source of voluntary funding, accounting for 59.7 per cent of total approvals in 2020–22, followed by the European Commission (15.9 per cent),²¹ the UN (12.4 per cent), public–private partnerships (5.2 per cent), domestic development funding (4.7 per cent) and IFIs (2.1 per cent). The majority of domestic development funding comes from developing countries, including middle-income countries (see the appendix for an overview of voluntary funding).

Strategic resource mobilization

28. The Office has implemented a forward-looking partnership and funding approach, taking the expected results for each policy outcome and the corresponding needs as a starting point. With regard to funding from the UN, joint resource mobilization efforts for the implementation of UNSDCF and DWCPs will continue. These include obtaining more resources for UN joint

¹⁹ ILO, "RBSA".

²⁰ For example, the 2022 approvals are the amounts for which the ILO and its funding partners signed an agreement in 2022.

²¹ This includes contributions from other intergovernmental organizations, which account for less than 1 per cent of the total.

programmes from UN multi-partner trust funds directed towards the SDGs, migration, disability inclusion or the Global Accelerator. The Office will continue to pursue direct inter-agency funding partnerships with UN funds, programmes and other specialized UN agencies, as well as with the United Nations Office for South–South Cooperation or the United Nations Department of Economic and Social Affairs for South–South cooperation. Partnerships, for instance with Brazil, China, Kuwait and Panama, will be deepened and outreach to other emerging partners intensified.

- 29. The ILO’s renewed focus on decent work in supply chains, investment and trade offers greater opportunities for partnering with private and non-State actors. Accelerated follow-up to recommendations of the high-level evaluation of the ILO’s public–private partnerships,²² including by streamlining the clearance process for these partnerships while applying the necessary due diligence, would support this aim.
- 30. The ILO will build on its experience in diverse partnership modalities with IFIs, such as the AfDB and the Islamic Development Bank, for the provision of technical assistance to Member States, or through grants from thematic trust funds, support facilities or challenge funds. ILO’s expertise in the area of social safeguards, especially in the field of fundamental principles and rights at work, also remains a potential growth area for partnerships with IFIs and development banks, as well as for domestic funding.

III.4. Pillar 4: Efficiency, decent work results and transparency

► Table 4. Pillar 4: Outcome and action areas

Outcome: Improved quality in ILO development cooperation in terms of its results focus, efficiency, visibility and transparency				
Action 1: Enhance ILO results-based management through improved accountability, monitoring, reporting and transparency in relation to how resources are utilized and results achieved.	Action 2: Continuously improve the ILO’s organizational performance and learning, and the provision of agile country services by expanding the use of existing, and by piloting new, service models, including reinforcing and deploying the ILO’s surge capacity involving headquarters, field offices and the ITCILO.	Action 3: Promote organizational performance in meeting ILO and UN accountability standards, including through development cooperation, in areas such as environmental and social sustainability.	Action 4: Enhance communication on, and visibility of, ILO results and the ILO’s comparative advantage in partnerships for decent work.	Progress: The Office’s performance in the areas of transparency, country services and communication is on track overall, whereas communication on the ILO’s comparative advantage in partnerships, including a business case, is still to be developed. More work is needed on the ILO Environmental and Social Sustainability Framework (ESSF) for enhanced accountability to end-beneficiaries, including through measures against SEAH.

²² ILO, *Independent Evaluation of ILO’s Public–Private Partnerships, 2008–18*, September 2019.

Improved accountability, monitoring, reporting and transparency

31. The Office has made progress towards increasing value for money and enhancing transparency. Since 2022, the ILO has published more of its financial and results data in accordance with the International Aid Transparency Initiative (IATI) standard. The now automated IATI publication process has improved the quality and frequency of ILO data publications. ILO data are now publicly available on open data platforms hosted by the IATI, the Development Assistance Committee of the Organisation for Economic Co-operation and Development and the UN. Improved access to ILO data supports adaptive management and allows constituents, partners, beneficiaries and the public at large to use the data for information, coordination, learning, communication and accountability purposes. The Office will continue to improve the quality, comprehensiveness and reliability of its data.

Increased organizational performance, learning and agility

32. The COVID-19 pandemic provided a lesson in the need for budget flexibility. The ILO introduced innovative and proactive measures to allow an agile response at all levels, including the adaptation of regular budget and voluntary funding. Today, the ILO is better placed to encourage a culture of continuous improvement in producing rapid and innovative responses in its service delivery.²³ The Office integrates lessons from evaluations into corporate strategies and has solidified the evidence-based character of its policies and interventions. It reports annually to the Governing Body on its organizational performance and learning as part of its annual evaluation report and will continue to address systemic issues in order to optimize overall effectiveness.
33. Staff competencies are key to the ILO's performance. Since 2020, the Office, in collaboration with the ITCILO, has organized Development Cooperation Learning Journeys for ILO staff offering new insights, skills and tools to enable and support staff to contribute better to forging multi-stakeholder partnerships, results-based design of development cooperation projects, communication on results, and engagement with UN joint initiatives, including through South-South cooperation. In 2021, 1,536 ILO staff benefited from the Development Cooperation Learning Journeys. Combined with an online Community of Practice on development cooperation, learning for ILO staff has continued in 2022-23 on new topics, such as ILO transparency.

Meeting ILO and UN standards for environmental and social sustainability

34. As part of the preparations for the implementation of the ILO Environmental and Social Sustainability Framework (ESSF), the ILO Environmental Sustainability Committee has developed and pilot-tested an environmental and social risk screening checklist, as well as a guidance note for ILO staff on addressing environmental and social risks and sustainability in project design. The Office has also published environmental and social safeguards guidelines for projects promoting employment-intensive investment.²⁴ These initial steps lay the foundation for an institutional approach reflected in an Office-wide ESSF, which should ensure a more systematic incorporation of environmental and social sustainability, including measures against SEAH, into the design, implementation, monitoring and risk management of ILO activities supported by regular or voluntary funding.

²³ ILO, *Independent High-Level Evaluation of ILO's COVID-19 Response 2020-22*, 2022.

²⁴ ILO, *Employment-Intensive Investment Programme (EIIP): Environmental and Social Safeguards Guidelines*, 2022.

Enhanced communication on the ILO's comparative advantage

35. The Office has expanded communication products and approaches, increasing the visibility of the ILO's results and impact on people's lives (see also section III.3 above). The ILO's global communication team has fostered greater collaboration and learning across the regions. The ILO business case for investing in decent work is still to be developed to support partnerships and advocacy, including the Global Coalition for Social Justice. The development of the methodology for the costing of ILO services is on target and will underpin communication on the ILO's comparative advantage.

▶ IV. Way forward

36. The next stage of implementation will yield more results through a more systematic application of the tools and approaches developed and by accelerating progress in the areas highlighted in this document.
37. The new organizational structure being put in place by the Director-General will allow expanded and cohesive external relations, partnerships and communication, as well as more dynamic collaboration as "One ILO" across the four clusters and between the different regions and headquarters. Moreover, stronger ILO capacity at the country level will enhance services provided to ILO constituents, with partnerships and development cooperation at their core.

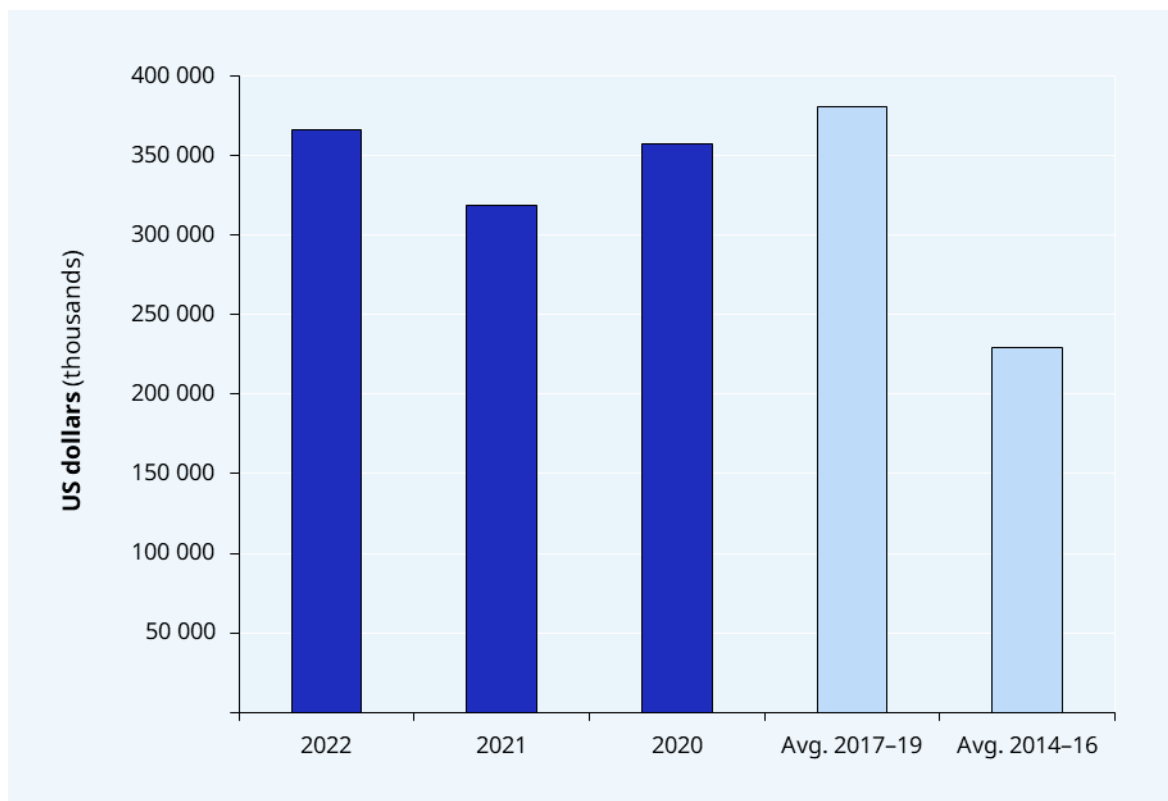
▶ Draft decision

38. **The Governing Body took note of the mid-term review of the ILO Development Cooperation Strategy 2020–25 and its implementation plan contained in document GB.347/POL/3 and requested the Director-General to consider the Governing Body's guidance in the next phase of the Strategy and its implementation plan.**

► Appendix

Voluntary funding overview ¹

► **Figure 1. Extrabudgetary development cooperation approvals, 2014–22 ***



* Approvals refer to new funds mobilized on the basis of the year in which the funding partners signed an agreement.

► **Voluntary funding partners by contribution amount (extrabudgetary development cooperation and regular budget supplementary account), 2020–22**

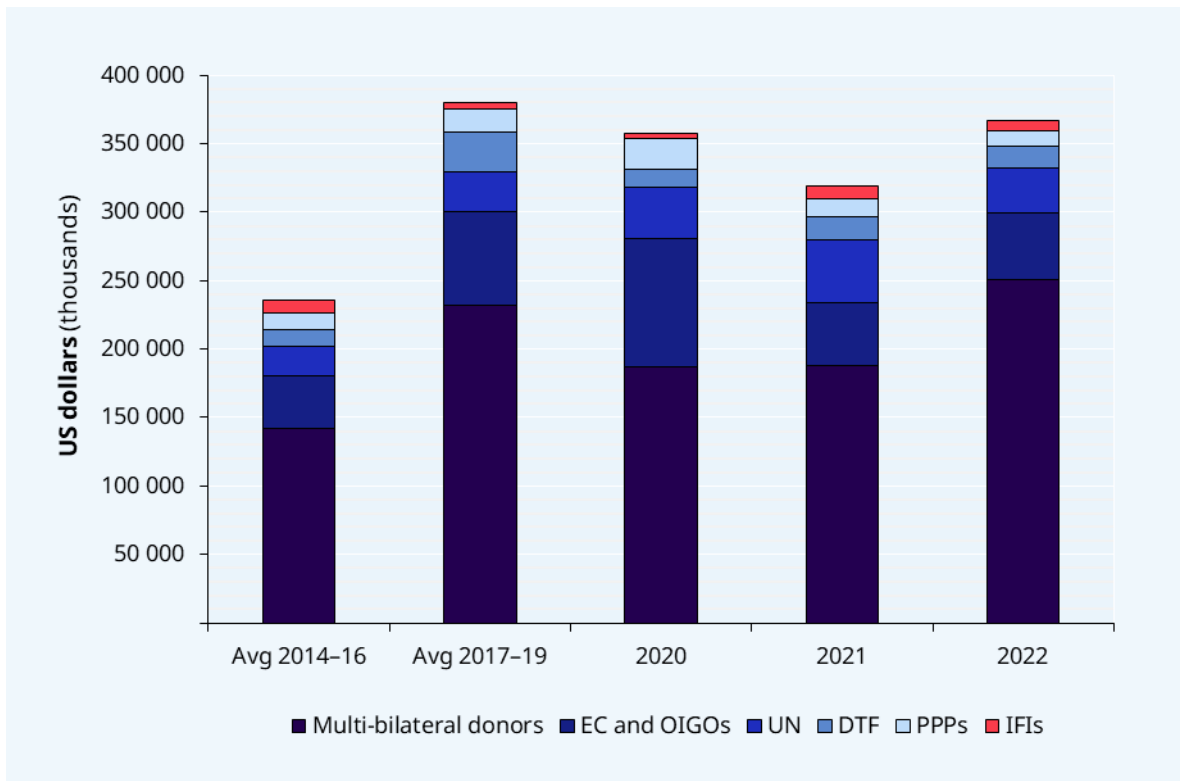
Funding partner	Total voluntary contribution, 2020–22 (in thousands of US dollars)
European Commission	184 077
United States	132 052
UN	116 297
Germany	114 929
Netherlands	59 785
Norway	55 684

¹ Data for 2022 are preliminary as at 17 January 2023.

Funding partner	Total voluntary contribution, 2020–22 (in thousands of US dollars)
Switzerland	52 116
Sweden	51 929
Private/non-State actors	49 554
Domestic development funding (DTF) *	42 568
Japan	37 922
Canada	28 790
International financial institutions (IFIs)	20 554
Belgium (including Flanders)	20 212
Republic of Korea	17 897
Denmark	17 410
The United Kingdom of Great Britain and Northern Ireland	13 980
Australia	11 964
France	11 014
Italy	7 957
Luxembourg	6 209
Brazil	6 137
Ireland	5 278
New Zealand	5 200
Other intergovernmental organizations	5 009
Multi (pooled fund contributions from multi-bilateral funding partners)	3 863
Spain	3 650
Finland	3 233
China	3 000
Portugal	2 872
Austria	2 115
Kuwait	1 000
Panama	981
Czechia	89

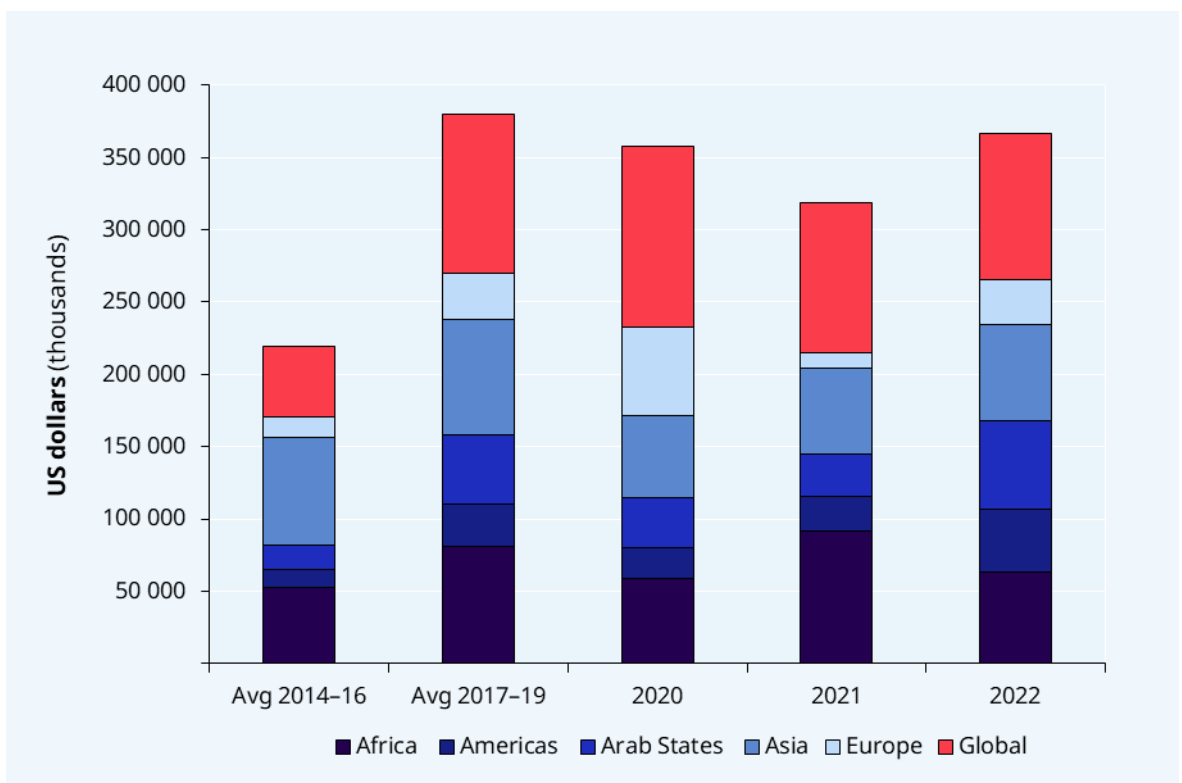
* DTF refers to domestic trust fund contributions, also known as domestic development funding

► **Figure 2. Extrabudgetary development cooperation approvals by funding source, 2014–22**

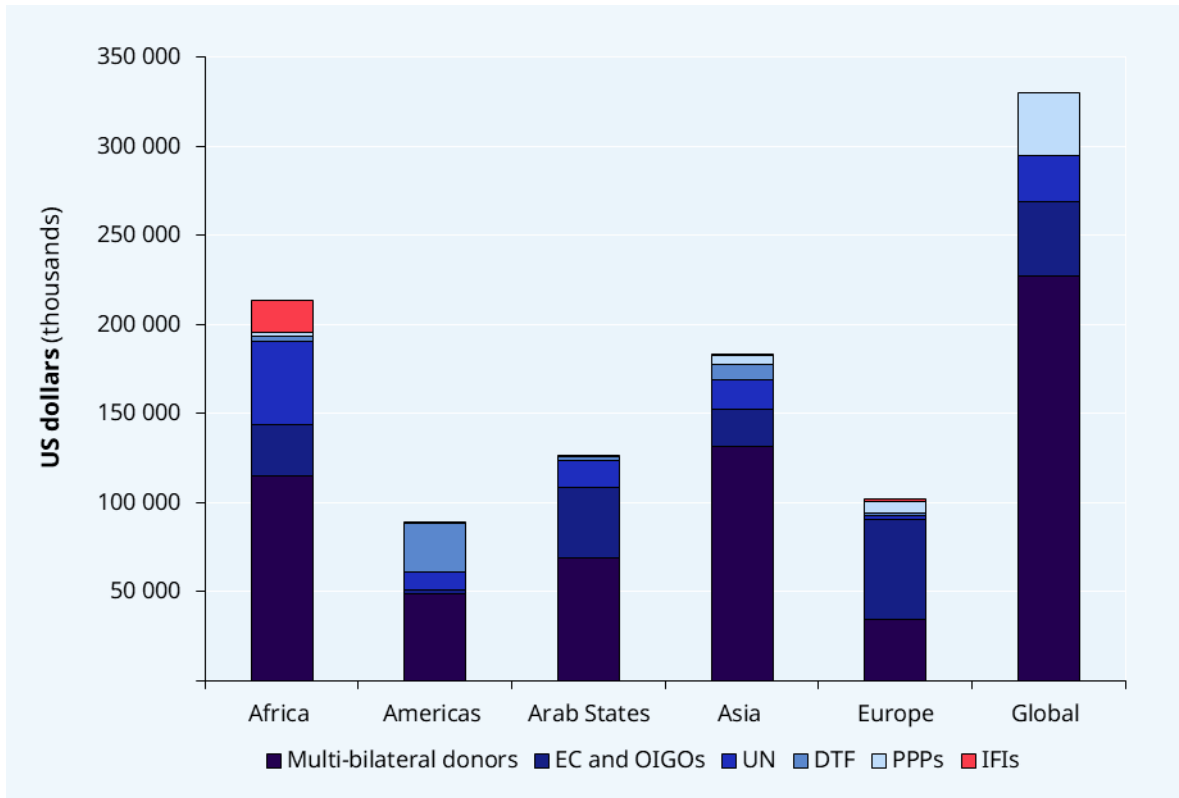


Abbreviations: DTF: domestic trust fund contributions, also known as domestic development funding, EC: European Commission, IFIs: international financial institutions, OIGOs: other intergovernmental organizations, PPPs: public-private partnerships.

► **Figure 3. Extrabudgetary development cooperation approvals by region, 2014–22**

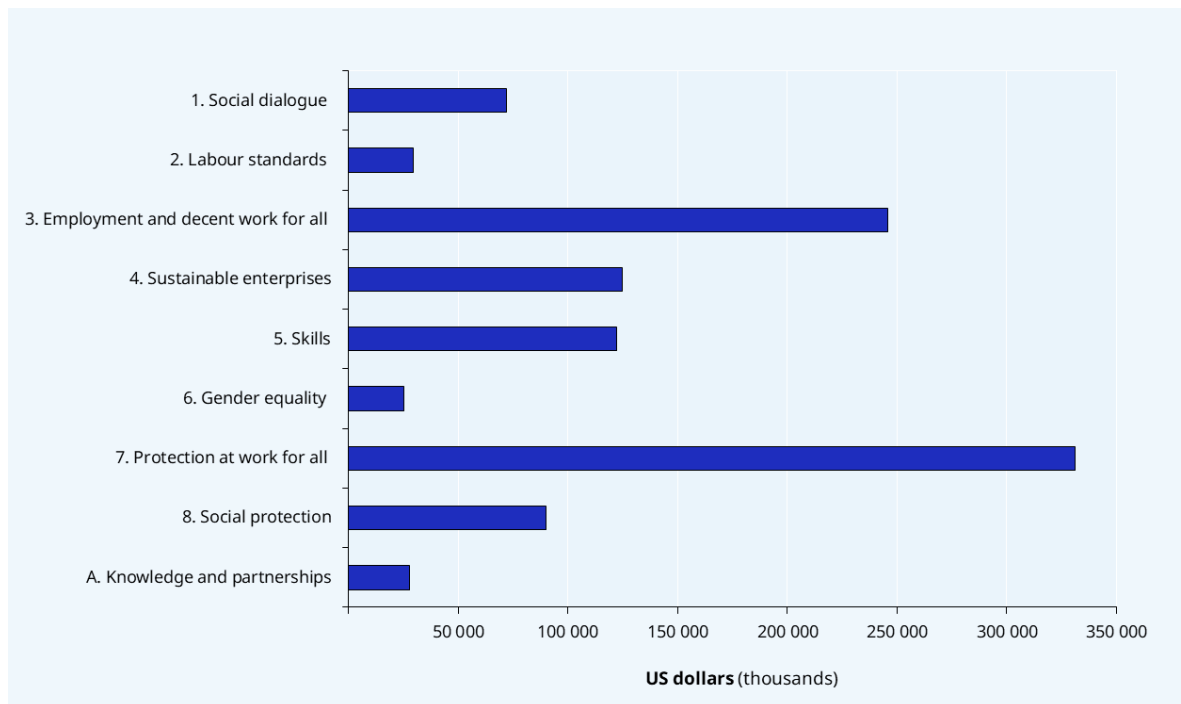


► **Figure 4. Extrabudgetary development cooperation approvals by region and funding source, 2020-22**



Abbreviations: DTF: domestic trust fund contributions, also known as domestic development funding, EC: European Commission, IFIs: international financial institutions, OIGOs: other intergovernmental organizations, PPPs: public-private partnerships.

► **Figure 5. Total expenditure of voluntary contributions (extrabudgetary development cooperation and regular budget supplementary account) by Programme and Budget Outcome, 2020–22**



For more information on the ILO's voluntary funding portfolio, please refer to the [Development Cooperation Dashboard](#) and the website of the [Department of Partnerships and Field Support](#).