



Governing Body

347th Session, Geneva, 13–23 March 2023

Programme, Financial and Administrative Section

PFA

Programme, Financial and Administrative Segment

Date: 22 March 2023

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First item on the agenda

The Director-General's Programme and Budget proposals for 2024–25

The Director-General's proposals for adjustments

1. Further to the adjustments announced in the [Reply by the Director-General to the debate on the Programme and Budget proposals for 2024–25](#), the Office explored additional measures to address the projected cost increases.
2. The Office identified an unspent balance of the Special Programme Account, remaining from income surpluses of the 2006–07 and 2008–09 biennia. This amounted to some CHF4.8 million as at 31 December 2022.
3. Resources in the Special Programme Account can be used to finance high-priority activities of limited duration that were not otherwise provided for under the budget adopted by the Conference and that do not create any expectation of additional future funding. ¹
4. The Office therefore proposes the use of the balance of the Special Programme Account to partially offset the one-off cost of US\$7 million to fund the two sessions of the International Labour Conference in 2024 and 2025. ²
5. Subject to the prior authorization of the Governing Body to the proposal in paragraph 4 above, the revised Table 1 of the strategic budget by appropriation line is presented in the appendix of

¹ ILO Financial Regulations, article 11(9).

² GB.347/PFA/1, para. 53.

this document. This version shows the budget at a level of zero real growth in constant 2022–23 US\$. Together with the reduction in cost increases, an overall decrease of the proposed budget by some US\$ 9 million is reflected in the last column in recosted US\$.

6. As a result of these proposed adjustments, the draft decision in paragraph 261 of document GB.347/PFA/1 is revised as follows.

▶ Draft decision

7. The Governing Body decided:

- (a) **to approve the use of the balance of the Special Programme Account in the amount of CHF4.8 million (estimated at US\$5.3 million at the 2022–23 budget rate of exchange of CHF0.9 to the US dollar) to partially offset the one-off cost of US\$7 million to fund the two sessions of the International Labour Conference in 2024 and 2025;**
- (b) **to recommend to the International Labour Conference at its 111th Session (June 2023):**
 - (i) **to approve a provisional programme level of US\$885,303,443 estimated at the 2022–23 budget rate of exchange of CHF0.9 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**
 - (ii) **to adopt the following resolution:**

The General Conference of the International Labour Organization,

In virtue of the Financial Regulations, adopts for the 79th financial period, ending 31 December 2025, the budget of expenditure of the International Labour Organization amounting to US\$... and the budget of income amounting to US\$... which, at the budget rate of exchange of CHF... to the US dollar, amounts to CHF... , 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.

► Appendix

Revised strategic budget: Proposed expenditure by appropriation line

| | Strategic budget 2022–23 (in US\$) ¹ | Adjusted strategic budget 2024–25 (in constant 2022–23 US\$) | Adjusted strategic budget 2024–25 (recosted (US\$)) |
|---|---|--|--|
| Part I. Ordinary budget | | | |
| A. Policymaking organs ² | 54 823 727 | 53 436 544 | 56 810 796 |
| B. Policy outcomes | 678 434 249 | 679 273 824 | 703 638 728 |
| C. Management services ³ | 66 154 750 | 66 662 491 | 69 127 629 |
| D. Other budgetary provisions | 46 448 882 | 46 488 749 | 48 724 117 |
| Adjustment for staff turnover | -6 903 130 | -6 903 130 | -7 164 404 |
| Total Part I | 838 958 478 | 838 958 478 | 871 136 866 |
| Part II. Unforeseen expenditure | | | |
| Unforeseen expenditure | 875 000 | 875 000 | 875 000 |
| Part III. Working Capital Fund | | | |
| Working Capital Fund | | | |
| Total (Parts I–III) | 839 833 478 | 839 833 478 | 872 011 866 |
| Part IV. Institutional investments and extraordinary items | | | |
| Institutional investments and extraordinary items | 12 926 722 | 12 926 722 | 13 291 577 |
| Total (Parts I–IV) | 852 760 200 | 852 760 200 | 885 303 443 |

¹ To facilitate comparison with 2024–25 figures, the 2022–23 budget was restated to reflect the realignment of grade-differentiated standard costs in headquarters and field offices following the revaluation of the recosted budget at the budget rate of exchange of CHF0.90 to the US dollar. ² The strategic budget proposals for policymaking organs include resources from the Official Meetings, Documents and Relations Department, and the Internal Services and Administration Department which directly support governance activities. ³ Management services is comprised of: Office of the Director-General, Ethics function, Evaluation, Independent Oversight Advisory Committee, Internal Audit and Oversight, External Audit costs, Assistant Director-General's Office Corporate Services, Financial Management, Human Resources Development and Strategic Programming and Management.