



SEVENTH ITEM ON THE AGENDA

**Report on programme
implementation in 2004***Contents*

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Introduction

1. This document provides an overview of ILO programme implementation in 2004, in keeping with the commitment made to report annually to the Governing Body on ILO performance.¹ It conveys current information on implementation and progress made. It notes a number of points where Governing Body guidance would be particularly useful: where there are changed conditions, compared to 2002 when the programme and budget was adopted, that may have led to modifications in strategies, new orientations, or significant changes in resource allocation.
2. Consistent with the practice established with the 2003 mid-term report,² this report centres on implementation, while the final report will focus on results. The report provides examples, in the form of boxes, of how the ILO implements its programme and contributes to achieving results.
3. The year 2004 saw significant steps in a number of areas important to the ILO: from the Governing Body discussion of the report of the World Commission on the Social Dimension of Globalization³ to new research on the economic benefits of eliminating child labour⁴ and of the workforce impact of HIV/AIDS,⁵ to the preparatory conference on a new maritime instrument – to name just a few. The concerns noted in the report on programme implementation 2002-03, regarding the wide range of issues addressed by the ILO in various ways, remain. This report shows that there is need for the ILO, particularly at country level, to spell out longer term strategies, to build on lessons of past experience and to promote the exchange of good practice across countries.

Status report on strategic budgeting

4. Implementation of strategic budgeting saw two significant steps forward in the planning for implementation of 2004-05, and in the preparation of the Programme and Budget proposals for 2006-07 that took place in 2004. In both cases progress was supported by the new information systems IRIS (Integrated Resource Information System) and its component known as the “Strategic Management Module” (SMM).
5. A fully developed version of the SMM was used during 2004 to build the Programme and Budget proposals for 2006-07. The benefits of a shared system supported concrete and transparent collaboration in the planning, implementation and programming of ILO activities leading to results. There was a high degree of cooperation and willingness among staff to work together across sectoral and regional/headquarters administrative “boundaries”, to develop integrated outcomes, precise indicators and targets for the ILO, and collaborative strategies to achieve these.

¹ GB.276/PFA/9, paras. 157-158.

² GB.286/PFA/8, Report on programme implementation in 2002.

³ *A fair globalization: Creating opportunities for all*, ILO, Geneva, 2004.

⁴ *Investing in every child: An economic study of the costs and benefits of eliminating child labour*, ILO, Geneva, 2003.

⁵ *HIV/AIDS and work: Global estimates, impact and response*, ILO, Geneva, 2004.

6. The circular Decent work country programmes was issued in May 2004 following extensive consultation throughout the Office. The intent of this approach to programming is twofold: to ensure that the results the ILO seeks are as relevant within discrete country contexts as they are globally; and to better integrate ILO work within broader national and international frameworks. Examples of progress in implementing decent work country programmes are found in this report. This approach provides opportunities for closer consultations with constituents in defining priority areas of cooperation within country programmes.

A note on resource information

7. A table on resources is shown under each operational objective. This is indicative information only, highlighting significant changes in the projections of extra-budgetary resources and 2000-01 surplus funds since the approval (in June 2003) of the Programme and Budget for 2004-05. It does not represent expenditure information, which will be included in the end-biennium report.

Developments in the regions

Africa

8. The Tenth African Regional Meeting (Addis Ababa, December 2003), in the light of recent trends in poverty, unemployment and underemployment, and the growing impact of the HIV/AIDS pandemic on the economy and social fabric of the continent, resolved to lend its full support to the decision of the Heads of State and Government of the African Union to convene an Extraordinary Summit of Heads of State and Government on Employment Creation and Poverty Alleviation in Burkina Faso in 2004. Ministers of labour and employers' and workers' organizations acknowledged the Summit provided an opportunity to define a coherent strategy to address disquieting trends in Africa.
9. The preparation of the African Union Summit led to close collaboration between African Heads of State and Government, workers' and employers' representatives as well as development institutions working in Africa. The Extraordinary Summit of Heads of State and Government on Employment Creation and Poverty Alleviation was held in Ouagadougou, Burkina Faso in September 2004. The Summit adopted a Plan of Action and follow-up mechanisms at the national, regional and continental levels, underscoring accountability to commitments made.
10. In particular, it acknowledged "employment creation as an explicit and central objective of our economic and social policies at national, regional and continental levels, for sustainable poverty alleviation and with a view to improving the living conditions of our people" (paragraph 3). The ILO was specifically requested to assist the African Union and member States in translating the decisions into action. Increased collaboration with regional economic communities is specifically mentioned. Implementation of the Summit's resolve should be placed within the New Partnership for Africa's Development (NEPAD).
11. ILO constituents in Africa recognized social dialogue, social protection, employment and respect for international labour standards as integral parts of decent work. The Global Campaign on Social Protection and discussions of the report of the World Commission on the Social Dimension of Globalization at national and regional levels, further contributed to this greater awareness.

12. The implementation of the Programme and Budget for 2004-05 is being reviewed for the Africa region in the light of the Extraordinary Summit follow-up actions to be launched at the national level, with the regional economic commissions and, at continental level, the promotion of closer partnerships with African agencies and institutions, and resource mobilization strategies locally and regionally.

Americas

13. Labour market indicators suggest a more favourable labour situation in Latin America and the Caribbean than in 2003 due to stronger economic growth. Regional gross domestic product⁶ grew 5.7 per cent in the first quarter of 2004, continuing the trend that began toward the end of 2003. Annual inflation reached 5.6 per cent during the first semester, considerably lower than the 14 per cent over the same period last year. Open urban unemployment fell moderately to 10.9 per cent during the same period of 2004. Regional unemployment remains high and affects mainly young people and women. During the first semester of 2004, real minimum wages rose 10.8 per cent triggered in part by lower inflation together with a sharp increase in nominal minimum wages in Argentina and Venezuela.
14. The region has concentrated on a regional decent work strategy for the promotion of a fair globalization. The strategy centres on creating jobs that comply with workers' rights enshrined in ILO Conventions, fair wages and an adequate level of social protection. This strategy forms the basis of the formulation of decent work country programmes. The main objective is to promote public policies conducive to the establishment of a favourable environment for enterprise creation and employment generation in line with decent work.
15. The region has promoted the convergence of economic and social policies placing decent work at the heart of economic policy. This includes the development of institutional frameworks ensuring coordination between ministries of labour, planning and economy in accordance with each country's characteristics.

Arab States

16. The year 2004 started with a regional climate favourable to openness, good governance and social dialogue. The Arab Summit (May 2004) stressed democratic reform through expanded public participation and freedom of expression. The Summit endorsed the Arab Charter on Human Rights. This has had positive implications for the work of the ILO. In several countries, a national social dialogue framework has been established, and requires technical assistance and legislative reforms. In parallel, policies to diversify economic activity in response to globalization have been adopted. A number of countries have chosen to rapidly promote a knowledge-based economy.
17. The prolonged instability in Iraq and the setbacks to the peace process in the occupied Arab territories may lead to new crises spreading to other countries. Under such circumstances, programming of ILO technical cooperation could prove difficult and may require flexibility in resource planning and mobilization.
18. Increased economic difficulties and political instability are deteriorating social conditions and perpetuating poverty. There is a need for more technical assistance targeting specific

⁶ For nine countries representing 89 per cent of the urban labour force and generating 93 per cent of the regional product.

population groups, such as women, youth and working children. High unemployment and extensive reliance on migrant labour has made employment for nationals a major development objective. The private sector, including the informal economy, is increasingly recognized as the main source of employment generation, specifically for young women and men. Consequently, entrepreneurship development and skills training are in high demand.

19. There is greater recognition of the role of intra-regional cooperation for development. This is coupled with a shift of international efforts from emergency relief in the case of crisis-affected countries to capacity building through partnerships among Arab nations and with the civil society in the region.

Asia and the Pacific

20. The Asia and Pacific region is facing major developments in 2004 with significant implications for ILO work and results. Economic growth in the region as a whole picked up only slowly. It has failed to absorb new entrants to the labour market and the large pool of unemployed and underemployed. Sharp increases in the price of oil have further contributed to job insecurity and higher consumer prices. This challenges the ILO to provide realistic advice with measurable impact in the areas of labour standards, employment, poverty reduction, social protection and social dialogue.
21. General elections in several countries⁷ illustrated the commitment of societies to democratic government. In South Asia, political disturbances (Bangladesh, Nepal) have constrained the work of the ILO. The stalled peace process in Sri Lanka contributed to the slow progress of reconstruction activities as well as the country's already fragile security. Natural disasters such as a major earthquake in Bam, Islamic Republic of Iran, and a severe flood in Bangladesh have undermined livelihoods and contributed to other crises. Programme implementation was delayed as the priority turned to basic humanitarian needs. This generated new demands for post-crisis reconstruction and rehabilitation.
22. Continuing trade liberalization, through ASEAN, bilateral trade agreements, and WTO membership (China and Cambodia) has opened opportunities but also raised concerns about competitiveness and productivity. This has brought new demands on social dialogue, enterprise development and management, labour law reform and administration, and international labour standards. It has triggered new concerns about the movement of people across borders and increased demand for ILO work on employment services and skills training as well as protection of vulnerable groups of migrants prone to trafficking. The end of the Multi-Fibre Agreement in 2005 raises major concerns in affected countries. This has opened opportunities for the ILO to support employment strategies that translate economic growth into decent work for more people.

Europe and Central Asia

23. The report⁸ prepared and published in 2004 for the Seventh European Regional Meeting (Budapest, February 2005), provides a full account of recent economic, labour and social trends in the region. Implementation of the programme and budget in 2005 in Europe and Central Asia will reflect the conclusions and recommendations adopted at the European Regional Meeting.

⁷ Inter alia, Cambodia, Islamic Republic of Iran, Mongolia and Sri Lanka.

⁸ *Managing transitions: Governance for decent work*, ILO, Geneva, 2004.

24. With the accession of ten countries to the European Union, emphasis will shift towards the Stability Pact countries, the CIS and Turkey.
25. The portfolio of technical cooperation projects has significantly increased in recent years. Donor interest for Central and Eastern European and Central Asian countries is responding to the clear demands of constituents in the ILO's core areas such as child labour, fundamental principles and rights at work, employment, social dialogue, pension reform, migration and trafficking, and the prevention of HIV/AIDS. It is in these areas that the ILO has been working to deliver timely and adequate responses.
26. The regional field structure will require adjustments with the closing down of national correspondents' positions in EU Member States and opening new ones in Stability Pact and CIS countries.

Global developments

Report of the World Commission on the Social Dimension of Globalization

27. The World Commission on the Social Dimension of Globalization submitted its report on 24 February 2004. This was the first attempt at structured dialogue between representatives of constituencies with different interests and opinions on the social dimension of globalization, aimed at finding common ground on one of the most controversial and divisive subjects of our time. The mandate of the Commission was to examine the process of globalization through the eyes of ordinary people, drawing on extensive consultations with a broad range of actors worldwide and with some of the best available expertise on the many complex issues involved. The comprehensive analysis and recommendations contained in the report offer a basis for a common platform for action and for future multi-stakeholder dialogue as an essential vehicle for cohesive and sustainable change.
28. The International Labour Conference discussed the report in June 2004 and the Director-General's report, *A fair globalization: The role of the ILO*. The global significance of decent work was reiterated when the report of the World Commission was presented to members of the United Nations General Assembly. The UN special event on "A Fair Globalization: Implementing the Millennium Declaration" was hosted by the World Commission Co-Chairs, the Presidents of Finland, Tarja Halonen, and the United Republic of Tanzania, Benjamin William Mkapa, at UN headquarters in New York on 20 September 2004. The UN Secretary-General, Kofi Annan, called on world leaders to summon the political will to better manage the economic and social effects of globalization. (See also "Developments in the ILO".)

Extraordinary Summit of the African Union on Employment and Poverty Alleviation in Africa

29. At the initiative of President Compaoré of Burkina Faso, the Heads of State of the African Union held an Extraordinary Summit on Employment and Poverty Alleviation on 8-9 September 2004. The Summit was preceded by a social partners' forum and a ministerial meeting. The Summit aimed to consolidate the New Partnership for Africa's Development (NEPAD) to ensure sustainable human development in Africa; to re-emphasize the dedication of the Heads of State in making employment central to the fight against poverty; to elaborate a Plan of Action with specific programmes for the creation of

productive employment; and to establish an efficient and appropriate feedback mechanism for follow-up on the conclusions and decisions taken at the Summit.

30. The ILO devoted significant efforts to support and facilitate the Summit, including participation of constituents in all aspects. The subsequent Plan of Action adopted at the Summit will influence the ILO's work in the region in significant ways for the remainder of 2004-05 and into 2006-07.

Inter-agency collaboration

31. Recognizing that partnerships are strategic for promoting decent work as a global goal, the ILO reinforces effective collaboration with the UN system, the donor community, other multilateral institutions and policy-influencing bodies.
32. The ILO is raising awareness in the international community on the relationship between achieving the Millennium Development Goals by 2015 and job opportunities and decent work for all through fair and inclusive globalization. The outcomes of the African Union Extraordinary Summit illustrate such efforts. The ECOSOC High-Level Segment (July 2004) which discussed the implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-10 is another example. The Director-General placed strong emphasis on decent work as a development tool and a global priority, and on the relevance of fair globalization to the Programme of Action. The World Commission on the Social Dimension of Globalization report received extensive support during the 59th Session of the General Assembly. A resolution adopted by the General Assembly on Follow-up the outcome of the Millennium Summit⁹ calls, inter alia, on the institutions of the multilateral system and countries to consider the report and provide information to the Secretary-General to take into account in his report to the 60th Session of the General Assembly's review of the implementation of the Millennium Declaration.
33. The World Bank/International Monetary Fund Annual Meetings in 2004 expressed recognition of ILO concerns. G24 ministers welcomed the report of the World Commission, underscoring the role of employment in poverty reduction and calling on the Bretton Woods institutions to stress employment creation in their programmes and policy advice. The World Bank President issued a strong policy statement at the UN Security Council in support of placing employment, in particular youth employment, at the centre of the global and security agenda, including conflict prevention. Developments with the European Commission included an agreement, signed in July 2004, on a strategic partnership to reinforce joint efforts to reduce poverty and improve labour conditions in developing countries. A Memorandum of Understanding was signed in July 2004. Decent work also received strong recognition among major philosophical and spiritual traditions.¹⁰

⁹ Resolution A/RES/59/57.

¹⁰ Peccoud, D. (ed.): *Philosophical and spiritual perspectives on decent work*, Geneva, 2004, ILO, World Council of Churches, International Institute for Labour Studies.

Developments in the ILO

Technical cooperation

34. The ILO has continued to improve the quality of technical cooperation proposals through project appraisal and assessment and greater coherence with the Strategic Policy Framework. In 2004, all technical cooperation projects approved under partnership agreements have been systematically assessed. Progressively this mechanism will be applied to all project proposals. The target for 2004-05 is to assess half of all project proposals.
35. Total approvals in 2004 are likely to reach US\$150 million, essentially from multi-bilateral donors. The ILO's technical cooperation has grown, but funding is highly dependent on a few donor partners. The ILO is developing new partnerships. An agreement with the European Union was recently signed and negotiations with Germany and Sweden are under way. New efforts aim to mobilize resources at the local level, in support of the decent work country programmes. More extra-budgetary resources have enabled the ILO to widen support to the Decent Work Agenda. Given the zero real growth regular budget, this has also heightened dependence on extra-budgetary resources.
36. At the end of 2004, estimates for delivery of technical cooperation in 2004-05 are significantly higher than originally forecast for the biennium in the Programme and Budget for 2004-05: a total of US\$275 million compared to US\$225 million. This is mainly due to the continued growth in approvals, and to improvements in delivery across sectors and field offices. This positive development is not limited to child labour, but extends to other objectives as well. This is most striking in social protection, in particular HIV/AIDS and in government and institutions of social dialogue, where donor interest has led to significant increases over original projections.

A fair globalization: The role of the ILO

37. The Governing Body devoted a special sitting in March 2004 to discussing the report of the World Commission on the Social Dimension of Globalization. In June 2004, the International Labour Conference considered proposals by the Director-General on the role of the ILO in strengthening the social dimension of globalization.¹¹
38. The debates on globalization in the ILO came at a time of intense multilateral consultations on reforming global governance mechanisms and one year ahead of the first five-year assessment of the Millennium Development Goals.

Key decisions of the Governing Body and the International Labour Conference

Gender equality, pay equity and maternity protection

39. At its 92nd Session (June 2004), the Conference adopted a resolution concerning the promotion of gender equality, pay equity and maternity protection. This comprehensive resolution calls upon governments and the social partners – in their respective fields of

¹¹ See *A fair globalization: The role of the ILO*, ILC, 92nd Session, 2004.

competence – to eliminate all forms of gender discrimination in the labour market, promote equality between men and women workers and provide women workers with maternity protection. Governments are requested to ratify relevant ILO Conventions and strengthen necessary legislative changes. They are requested to develop gender-sensitive employment and entrepreneurship policies including measures reconciling work and family life. Employers' and workers' organizations are called upon to promote the negotiation of employment equity plans and evaluate gender equality policies. The resolution calls on the Office to intensify the campaign for the universal ratification and implementation of Conventions Nos. 100 and 111. It requests strengthening of training programmes, including by the Turin Centre, and continuation of research on the gender wage gap and the effects of globalization on poverty and pay equity.

Migrant workers

40. The Conference at its June 2004 session adopted a comprehensive plan of action on migrant workers, based on its discussion of the report *Towards a fair deal for migrant workers in the global economy*. In particular, the Conference asked the Governing Body to examine guidelines for a non-binding multilateral framework on labour migration. Preparations for holding a tripartite meeting of experts in 2005 have begun. The Office was also asked to begin implementing key actions immediately, in cooperation with other relevant international organizations.

Human resources development and training

41. The Conference adopted a new Recommendation on human resources development and training at the June 2004 session. This complements and partially revises a Recommendation of 1975. The Office is preparing to launch a major promotional campaign for the new Recommendation.

Organizational changes

42. As part of ongoing reviews of the Office's organizational arrangements, the Director-General made several significant changes in 2004. Responsibilities for communications, library, and publications were combined under a single senior Director. Greater coherence in information and dissemination is expected. A new Executive Director was appointed with overall responsibility for management and administration. More efficient management of human, financial and programme resources are expected. The Director of the Director-General's Office has been appointed Executive Director with responsibility for regions and technical cooperation.

The strategic objectives

Strategic Objective No. 1: Promote and realize standards and fundamental principles and rights at work

43. Ratifications of the fundamental Conventions have accelerated, especially on child labour. Attention is now turning more to their practical application. The supervisory system is looking at a considerable increase in ratifications which, together with constant resources, requires new approaches to ensure performance. Operational objectives for fundamental

principles and rights and for child labour have been revised and management arrangements are being reviewed. This operational integration should lead to improved results.

Operational objective 1a: Fundamental principles and rights at work

ILO member States give effect to the principles and rights concerning freedom of association and collective bargaining and the elimination of forced labour, child labour and discrimination in employment and occupation

Performance indicators	Targets
1a.1. Member States that have ratified either: (i) all eight fundamental Conventions; or (ii) at least one Convention in each of the four categories of fundamental principles and rights	(i) two-thirds of member States (116) (ii) 155 member States
1a.2. Member States introduce significant changes in their policies, legislation or institutions in order to realize fundamental principles and rights at work, as indicated in annual reports or Global Reports under the follow-up to the Declaration	10 member States
1a.3. Member States that have begun implementation of gender-sensitive technical cooperation that specifically addresses needs or problems identified in reports submitted under the Declaration, in the Introduction by the ILO Declaration Expert-Advisers and in plans of action adopted by the Governing Body	20 member States

44. Main tools to assist member States to implement fundamental principles and rights are:

- ratification of relevant Conventions and monitoring of their application;
- technical cooperation and advisory services to help constituents translate the principles and rights into practice;
- the 2004 Global Report on freedom of association, *Organizing for social justice*;
- the Special Action Plan to combat forced labour and the programme of action on discrimination at work.

45. The Improving Labour Systems in Southern Africa (ILSSA) project is a practical illustration of the application of Declaration principles. Developed with constituents from six southern African countries (Botswana, Lesotho, Malawi, Namibia, Swaziland and Zambia), the project seeks to improve the African business environment and ensure compliance with fundamental rights in the workplace – through increasing awareness among employers and workers of their rights and obligations and of services available under national labour legislation.

46. A second illustration of the application of Declaration principles is the ILO project promoting freedom of association and collective bargaining in Indonesia (box 1) and a project in reforming labour legislation in East Africa (box 2).

Box 1**Promoting and realizing freedom of association and collective bargaining in Indonesia**

To date, this ILO project has trained more than 2,400 government officers, 2,300 employers, 4,200 trade union members and 1,000 academics, journalists and NGO partners. Workers are now more inclined to join employers at the negotiating table. The project has established over 40 enterprise-level labour-management committees. Spillover effects have been impressive – in one province, government officials report a 40 per cent drop in the number of strikes from 2002 to 2003.

In one Indonesian firm with 2,000 workers, the labour-management cooperation scheme has been so successful that trade unions and management from surrounding districts are coming for advice on dispute settlement. A major sportswear company requested training for the management of its local licensee in order to help improve a tense labour-management relationship.

Indications of sustainability are strong. Constituents view the project as a source of expertise and resources on labour law, collective bargaining and industrial relations; from across the country they are requesting training and resource materials, so that they can then deliver their own training. Over 75 such activities have taken place in the past six months.

Contacts: Alan Boulton, Director, ILO Jakarta (boulton@ilojkt.or.id); Carmelo Noriel, Chief Technical Adviser (noriel@ilojkt.or.id).

Box 2**Strengthening labour relations in East Africa**

Tripartite Labour Advisory Boards in Kenya, United Republic of Tanzania and Uganda that had long been inoperative have now been re-established. The project was also instrumental in promoting and supporting labour law reform. In the United Republic of Tanzania, the Employment and Labour Relations and the Labour Institutions Bills have been revised and approved by Parliament.

In Zanzibar, Bills on Employment, Labour Relations, Occupational Safety and Health, the Zanzibar Social Security Fund, and Workers' Compensation have been revised and will soon be tabled before the House of Representatives.

In Kenya, the project-supported task force submitted the revised Labour Law to the Attorney-General, which is expected to be adopted in early 2005.

Considerable progress has also been made on the once dormant labour law reform process in Uganda. The project succeeded in bridging the gap between the Ministry of Labour and the social partners on the one hand and the Ministry of Finance on the other. The Labour Advisory Board in Uganda has recommended that the Government ratify Conventions Nos. 87, 100 and 111.

Advocacy, training and capacity-building efforts by the project have had several impacts, for example:

- re-establishment of the Industrial Court of Uganda;
- re-registration of the virtually outlawed Civil Service Union of Kenya;
- commencement of an employer best practice competition by the Federation of Uganda Employers, incorporating respect for ILO Declaration principles, modern human resources management and good labour relations;
- a measurable upsurge in the number of inspection visits carried out and significant change in inspection attitudes from "policing" to advisory and problem-solving. For example, the increase in labour inspection as a result of the project was 39 per cent in the United Republic of Tanzania and 36 per cent in Uganda (no figures as yet available for Kenya).

Contacts: Mohamed Ali Ibrahim, Director, ILO Dar-es-Salaam (aliibrahim@ilo.org); Vremudia Diejomoah, Chief Technical Adviser (diejomoah@ilo.org).

47. Other projects launched in 2004 include:

- Brazil: national policy for gender and racial equality (box 3);
- Ghana and Nigeria: action programme against forced labour and trafficking in West Africa;
- Russian Federation, Tajikistan, Uzbekistan: combating human trafficking and forced labour;
- China (Hong Kong SAR), Indonesia, Malaysia, Philippines: mobilizing action for the protection of domestic workers from forced labour and trafficking;
- India, Nepal, Pakistan: preventing and eliminating bonded labour (box 4).

Box 3

National policy for gender and racial equality in Brazil

A National Tripartite Commission on Gender and Race at Work was created in Brazil by Presidential Decree in August 2004. Its objectives are to promote public policies on equal opportunities and treatment and to combat all forms of gender and race discrimination at work. The Commission will actively campaign for the ratification of Convention No. 156. If achieved, this will contribute to the ratification target of four key equality Conventions, including Convention No. 103 on maternity which many countries in Latin America have already adopted.

Contact: Ms. Lais Abramo, Regional Senior Gender Specialist, ILO Brazil (abramo@bra.oitbrasil.org.br).

Box 4

Innovation Award for the prevention and elimination of bonded labour in Pakistan

The ILO provided technical assistance to operationalize the National Policy and Plan of Action (NPPA) adopted by the Cabinet in 2001 and endowed with 100 million Pakistan rupees for rehabilitation projects. The elimination of bonded labour is now specifically mentioned in the Government of Pakistan's Poverty Reduction Strategy Paper. The following aspects of the NPPA were given impetus through ILO support, in collaboration with the Human Rights Commission of Pakistan:

- restructuring of district vigilance committees;
- capacity building of five newly formed vigilance committees in five districts of Sindh;
- a manual in English and Sindhi for the guidance of vigilance committee members;
- awareness-raising seminars;
- creation of legal aid service for male, female and child bonded labourers;
- an ILO initiative for landless freed heirs to be provided land for housing on very easy instalments. This project has been prepared in collaboration with the National Rural Support Programme (NRSP) and the Department of Labour in Sindh and will be funded through the Bonded Labour Fund. Houses will be provided by the Government, land by the NRSP. The project will also help give legal entitlement to freed workers in camps. In addition, it will demonstrate an innovative method of providing housing through microcredit.

The first meeting of the National Steering Committee of the NPPA was held in January 2004, presided by the Federal Minister for Labour. Under the aegis of the Bonded Labour Research Fund and supported by the Ministry of Labour, Pakistani researchers have recently completed a series of "rapid assessments" of bonded labour in ten key sectors: agriculture, construction, carpet-weaving, brick-making, marine fisheries, mining, glass bangles, tanneries, domestic work and begging.

The Consultative Group against Poverty of the World Bank awarded this project its Innovation Award.

Contact: Tauqir Shah, Adviser on Bonded Labour, ILO Islamabad (Tauqir@iloisb.org.pk).

**Restatement of technical cooperation projections
and projected allocations of the 2000-01 surplus
in 2004-05 (in US\$)**

Operational objective 1a	Estimated extra-budgetary technical cooperation expenditure	Estimated 2000-01 surplus expenditure
Programme and Budget for 2004-05	12 484 000	890 690
Adjusted as of 31 December 2004	16 611 836	1 598 971
Change	4 127 836	708 281

Note: The estimated technical cooperation and 2000-01 surplus expenditures for 2004-05 increased as a result of previously unforeseen allocations made under this objective. Deliveries for projects already allocated in 2002-03 for this operational objective were on target.

Operational objective 1b: Child labour

Child labour is progressively eliminated through capacity building and strengthening of the worldwide movement against child labour, priority being given to the urgent elimination of its worst forms and to the provision of alternatives for children and families

Performance indicators	Targets
1b.1. Member States that ratify the Minimum Age Convention, 1973 (No. 138)	20 additional member States (this would bring the total number of member States that have ratified the Convention to 150)
1b.2. Member States that use methodologies, approaches and information developed and produced either by the ILO or with ILO support, concerning: global trends and measurement of child labour; research on the causes and consequences of child labour; good practices and models of intervention to combat child labour; and guidelines and training packages	30 additional member States
1b.3. Member States that have drawn on ILO support to make significant progress in applying Conventions Nos. 138 and 182 as reflected in the implementation of at least two interventions associated with time-bound programmes	40 member States
1b.4. Children who benefit from ILO action with a particular focus on the worst forms of child labour and the girl child, as reflected by:	
(i) those benefiting directly from pilot projects executed by the ILO;	(i) 300,000 children
(ii) those indirectly benefiting from initiatives executed by other development partners (member State, organizations and other agencies) as a result of ILO support and advocacy	(ii) 1 million children

48. The ILO strategy in eliminating child labour has four main elements:

- increased ratification of the key Conventions and subsequent application of their provisions;
- generating and sharing knowledge and best practice;
- establishing time-bound programmes;

- measuring progress in real terms by the total number of children benefiting from direct and indirect ILO action.
49. Work on these four elements is proceeding in 2004, with no significant changes from the approaches set out in the programme and budget.
50. The pace and scope of ratifications is, as predicted in the programme and budget, approaching the highest number possible.

Ratifications of ILO Conventions (as of 1/11/2004)	No. 138	No. 182
Africa	43	47
Americas	26	30
Arab States	7	11
Asia	14	18
Europe	44	44
Total	134	150

Source: ILO APPLIS database.

51. Reaffirming the ILO's role of producing substantial comparative research to advance global understanding, the landmark report *Investing in every child – An economic study of the costs and benefits of eliminating child labour*¹² was released in February 2004. It has established a comprehensive picture of the economic costs – and benefits – of eliminating child labour.
52. Time-bound programmes, considered the best approach to the worst forms of child labour in many countries, combine with national or regional sectoral programmes targeting child labour (commercial sexual exploitation, trafficking, domestic service). Time-bound programmes have been launched in the following 14 countries:
- before 2004 in Costa Rica, Dominican Republic, El Salvador, Nepal, Philippines and the United Republic of Tanzania (box 5);
 - in 2004, in Bangladesh, Brazil, Ecuador, Indonesia, Pakistan, Senegal, South Africa and Turkey;
 - funds were secured for a further five countries (Cambodia, Ghana, Kenya, Lebanon, Madagascar);
 - the experience acquired has helped to better link programmes with existing macroeconomic policy, poverty reduction and education strategies in host countries.

¹² [Http://mirror/public/english/standards/ipecc/publ/download/2003_12_investingchild.pdf](http://mirror/public/english/standards/ipecc/publ/download/2003_12_investingchild.pdf) .

Box 5
**Supporting the time-bound programme on child labour in
the United Republic of Tanzania**

In partnership with non-governmental organizations, work continues on the withdrawal and prevention of 5,000 boy and girl children in prostitution, 7,500 in domestic work and 2,500 in mining.

A joint effort of the Association of Tanzanian Employers and the Tanzania Plantation and Agricultural Workers Union will withdraw children and prevent the worst forms of child labour in commercial agriculture. Advocacy and awareness-raising in communities in all time-bound programme districts is ongoing through the Department of Information Services. Through the Child Labour Unit, the capacity of district officials in planning and implementing activities to combat child labour and its worst forms is being strengthened. Vocational education and skills development is provided to 3,000 targeted children and their families. Through the Ministry of Education and Culture, 16,000 withdrawn boy and girl children and those identified under prevention initiatives are being given transitional education.

Integration in the national development framework (the draft Poverty Reduction Strategy Paper-2) and strong collaboration with United Nations Development Assistance Fund partners are positive indicators of the sustainability of interventions started under the ILO time-bound programme. The strong focus on capacity building ensures national stakeholders, particularly the government counterpart, is well prepared for taking the lead role on national child labour initiatives.

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- 53.** Design and delivery is improving rapidly, particularly in integration, impact assessment framework and the most appropriate systems for child labour monitoring. Much of this knowledge has been synthesized in the *Time-Bound Programme Manual for Action Planning*,¹³ a kit containing a set of guidelines and tools that include data collection and analysis, stakeholder consultations, social and resource mobilization, target-setting, policy options and strategies for different sectors and areas of intervention, and programme management, including monitoring and evaluation.

**Restatement of technical cooperation projections
and projected allocations of the 2000-01 surplus
in 2004-05 (in US\$)**

Operational objective 1b	Estimated extra-budgetary technical cooperation expenditure	Estimated 2000-01 surplus expenditure
Programme and Budget for 2004-05	88 883 000	–
Adjusted as of 31 December 2004	103 782 620	–
Change	14 899 620	–

Note: A significant increase in estimated technical cooperation expenditure is noted for the biennium.

¹³ *TMB MAP, Time-Bound Programme Manual for Action Planning*, ILO, Geneva, 2003.

Operational objective 1c: Normative action

International labour standards and the standards supervisory process influence legislation and policies of member States for achieving decent work and international development goals

Performance indicators	Targets
1c.1. Cases in which member States improve the application of standards	(i) 350 cases of improvement noted by the Committee of Experts (ii) 50 cases of improvement noted by the Committee on Freedom of Association
1c.2. Increased account taken of international labour standards in international development assistance	All PRSPs to which the ILO contributes refer to international labour standards
1c.3. Improved effectiveness of service to ILO policy-making bodies in relation to standards policy	(i) the supervisory bodies complete reviews of their work methods (ii) the progress made in the review of standards-related activities is in line with the timeframe decided by the Governing Body (iii) the results of the review are given increased effect by all parts of the ILO
1c.4. Increased use of international labour standards information resources by constituents and the public and in training on human rights and other rights at work	(i) 100,000 average visits per month to international labour standards (ILS) databases (ii) 30 documented cases of integration of ILS information resources in training programmes, seminars, web sites and publications

54. With a view to improving its work, the Committee of Experts on the Application of Conventions and Recommendations reported in 2004¹⁴ that it would be modifying the contents and language of its report. It will use technology to improve presentation and accessibility of information, and to encourage a more collaborative approach to review linked Conventions, thus making the supervisory system more effective.

55. Major trends in the application of standards noted in the 2004 report suggest three areas for follow-up:

- Labour inspection (Conventions Nos. 81 and 129). Many countries intending to strengthen or expand labour inspection will generate significant demand for ILO advice in combating child labour and improving statistics on occupational safety and health. In 2005, the Committee of Experts' General Survey deals with labour inspection.
- Indigenous and tribal peoples (Conventions Nos. 107 and 169). Interest in this issue is increasing to address the situation of indigenous and tribal peoples as a matter of social justice and as an aspect of national development.
- Maternity protection (Conventions Nos. 3, 103 and 183). While the two earlier Conventions have had an impact on law and practice, a number of specific issues of

¹⁴ General Report of the Committee of Experts on the Application of Conventions and Recommendations, 2004.

application remain, particularly in terms of broader coverage, leave, benefits and non-discrimination.

Restatement of technical cooperation projections and projected allocations of the 2000-01 surplus in 2004-05 (in US\$)

Operational objective 1c	Estimated extra-budgetary technical cooperation expenditure	Estimated 2000-01 surplus expenditure
Programme and Budget for 2004-05	3 294 000	1 740 000
Adjusted as of 31 December 2004	1 563 346	2 769 655
Change	1 730 654	1 029 655

Note: The estimated 2000-01 surplus expenditure for 2004-05 increased as a result of roll-over of unexpended funds from 2002-03, indicating that delivery levels in 2002-03 were lower than the targeted level. Estimated technical cooperation expenditure declines.

Strategic Objective No. 2: Create greater opportunities for women and men to secure decent employment and income

- 56.** In pursuing the primary goal of the Global Employment Agenda to place employment at the centre of economic and social policies, in 2004 the ILO has focused its work on addressing the needs of the working poor and those unemployed.
- 57.** At national level, effective integration of approaches, including through frameworks such as Poverty Reduction Strategy Papers (PRSPs) and the United Nations Development Assistance Fund, has been supported through assessment, technical support and policy dialogue. A notable example in 2004 was the China Employment Forum, which provided a venue to share ideas, knowledge and experience for an employment agenda for decent work in China.
- 58.** Internationally, at the level of multilateral institutions at global and regional levels, the ILO continues its work to strengthen global strategic alliances, putting into effect employment-related strategies that emphasize rights-based work as a productive factor. In Africa, work in 2004 for the Extraordinary Summit on Employment and Poverty Alleviation convened by the Heads of State and Government of the African Union provided the multilateral system with a valuable and compelling opportunity to assist African countries on employment and poverty reduction issues.

Operational objective 2a: Employment policy support

ILO constituents are better equipped to analyse trends in national and global employment and labour markets, and to elaborate, advocate and implement effective strategies for the promotion of decent employment for men and women

Performance indicators	Targets
2a.1. ILO constituents that make use of the ILO knowledge base	Constituents in 35 member States
2a.2. Global and national employment policies that are influenced by recommendations of ILO policy advice	National employment policies in ten member States

- 59.** Recognizing the importance of productive employment to poverty reduction, the ILO is supporting national policy-makers in formulating appropriate social and economic policies. This support builds on labour market information to develop analysis and understanding of

the main factors influencing how labour markets function. These findings are used to elaborate effective employment policies coherent at local, national and global levels.

- 60.** In 2004, labour market indicators networks in regions have been expanded and refined.
- 61.** Because policy liberalization has opened developing countries to trade and foreign investment, the ILO is analysing policy coherence in global, regional and national labour markets. Work on the interplay between growth, investment, jobs and policy coherence has been started with comparative research into the employment challenges of Argentina, Brazil and Mexico.
- 62.** A second area of work concentrates on labour market policies that allow firms flexibility while providing security to workers in Algeria, Morocco, Tunisia and Central and Eastern Europe. Work has also started in China and Egypt. Analysis of active labour market policies in the context of restructuring is progressing in China, Egypt, Latin America and the Caribbean and Turkey. Comparative work on both transition and developed countries has also continued.
- 63.** Following up its recent Governing Body report on productive employment for poverty reduction and development, robust labour market indicators are being developed with multilateral partners and research is being conducted on the working poor.
- 64.** In combination, these efforts have succeeded in:
- elaborating national employment strategies in Azerbaijan, Central America (box 6), China, Kyrgyzstan, Kazakhstan and Sri Lanka;
 - supporting a poverty reduction strategy in Nepal;
 - implementing the regional employment strategy for the region of Lodz, Poland;
 - producing employment policy reviews in the Balkan countries;
 - developing national action plans for youth employment in Azerbaijan, Indonesia, Mali (box 7) and Sri Lanka.

Box 6

Employment policies in Central American countries

Working with labour ministries, employers' and workers' organizations, the ILO helped draft labour policies for poverty reduction and implement the concept of decent work for women and men in the following countries:

- Costa Rica: the policy document was adopted by the tripartite Supreme Labour Council and has been delivered to the President.
- El Salvador: the ILO is helping to prepare the document on labour policy and tripartite adoption is pending.
- Guatemala: the discussion process is beginning with the preliminary outline of the policy document.
- Honduras: document delivered to the National Socio-Economic Council for tripartite discussion.
- Nicaragua: labour policy document presented to the social partners, and discussion is taking place.
- Panama: policy was presented to the social partners in an ARPE (analysis and recommendations on employment policies) exercise.
- Dominican Republic: ILO contributed to the Poverty Reduction Strategy Paper with the decent work concept.

Central American countries had not previously had labour policies that – integrated with public policies – contributed to poverty reduction through the decent work concept.

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Box 7**Youth employment and poverty alleviation programme in Mali**

Mali has decided to place employment, particularly youth employment, at the centre of its poverty alleviation strategy. ILO assistance has provided not only the inclusion of the employment dimension in the poverty alleviation strategy but has also given the impetus for the integration of four elements of the Decent Work Agenda in an updated version of the strategy. The national action plan for employment, aimed at reducing poverty, is financed with funds worth US\$1.5 billion for 2002-05 provided by the HIPC initiative, with an ILO technical assistance project, funded by UNDP.

Support for the youth employment programme is part of an integrated approach built around four components: employability and vocational training, youth entrepreneurship, rural employment and labour-intensive work, and young enterprise promoter financing. Youth employment promotion in Mali uses an integrated approach that features the various dimensions of decent work including fundamental principles and rights at work and the involvement of the social partners.

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Restatement of technical cooperation projections and projected allocations of the 2000-01 surplus in 2004-05 (in US\$)

Operational objective 2a	Estimated extra-budgetary technical cooperation expenditure	Estimated 2000-01 surplus expenditure
Programme and Budget for 2004-05	10 707 000	1 439 690
Adjusted as of 31 December 2004	13 016 915	3 894 162
Change	2 309 915	2 454 472

Note: The increase in estimated 2000-01 surplus expenditure for 2004-05 is a result of reclassification of projects previously considered as contributing to: "response to crisis and emergencies" under the overall objective of 2c; and "gender equality" under the shared policy objectives on gender equality. An increase is also noted for estimated technical cooperation expenditure.

Operational objective 2b: Knowledge, skills and employability

ILO constituents invest more in training and skills development to provide men and women with improved and equal access to decent jobs

Performance indicators	Targets
2b.1. ILO constituents that adopt policies and invest in improvements in the quality and effectiveness of skills development and training	Constituents in 15 member States
2b.2. ILO constituents adopt labour market strategies, including innovative approaches to skills acquisition, effective employment services and related support, to promote greater labour market participation of young persons, people with disabilities and other disadvantaged women and men	Constituents in 15 member States

- 65.** The ILO is assisting tripartite constituents in improving national training policies and programmes, together with a range of employment-related support services. Technical advisers are delivering services comprising international empirical work and identified good practices to support social dialogue at national and sectoral levels. In Africa, work is centred on skills development for poverty reduction and improved employability of disadvantaged groups. In Asia, projects build skills to improve productivity and competitiveness (box 8). In Europe, the ILO supports constituents with training policy and systems reform within market economy conditions.

Box 8

Programme on decent work for women in India

Conducted in the urban slum clusters of New Delhi and Bangalore, this programme aimed to provide a holistic package of services, including improving skill levels and employability of women in the urban informal sector. Funded by the United States Department of Labor, partners included the Directorate-General of Employment and Training, the Women's Training Director, the V.V. Giri National Labour Institute and the Indian Institute of Workers' Education. The project identified selected NGOs at the metropolitan and community level. Project beneficiaries are poor needy women either unemployed or engaged in low-paid exploitative work environments. The programme has reached 3,500 women and encompassed:

- extension of government vocational training services by institutionalization of non-formal training for women below the poverty line in government programmes, institutes and structures;
- strengthening network structures, working relationships and coordination among various stakeholders;
- strengthening capabilities of selected NGOs and training institutions for training/employment, including self-employment of poor women;
- enhancing capacity for implementation of equal and minimum wages, a safe and secure working environment and well-being of the women and their children.

Contact: Herman van der Laan, Director, ILO New Delhi (vanderlaan@ilodel.org.in).

66. In all regions, tools, analysis and networking support skills development for youth to facilitate transition to employment. In 2004, the ILO prepared the tripartite expert meeting on "Youth employment: The way forward", to support the International Labour Conference general discussion on youth employment in 2005.

67. For the 2006-07 strategic programme, this operational objective will be combined with 2a.

**Restatement of technical cooperation projections
and projected allocations of the 2000-01 surplus
in 2004-05 (in US\$)**

Operational objective 2b	Estimated extra-budgetary technical cooperation expenditure	Estimated 2000-01 surplus expenditure
Programme and Budget for 2004-05	17 047 000	639 590
Adjusted as of 31 December 2004	10 186 666	1 124 315
Change	-6 860 334	484 725

Note: The increase in estimated 2000-01 surplus expenditure for 2004-05 is a result of reclassification of projects previously considered as contributing to "response to crisis and emergencies". A decrease is noted for estimated technical cooperation expenditure.

Operational objective 2c: Employment creation

ILO member States and constituents are better equipped to design and implement employment promotion programmes in the areas of enterprise development and employment-intensive investment, including in post-crisis situations, paying particular attention to the situation of women

Performance indicators	Targets
2c.1. ILO constituents and other institutions that apply ILO advice and practical tools for enterprise development	Constituents in 60 member States and institutions in 30 member States
2c.2. ILO member States that adopt or implement employment-intensive approaches and related ILO policies in national and local level public investment programmes in the infrastructure and construction sectors	15 member States (new programmes or major new elements in existing country programmes)
2c.3. ILO member States and institutions that include the ILO's approach to post-crisis reintegration and reconstruction in their policies and programmes	(i) four new crisis-affected member States (ii) five crisis-affected member States and ten institutions

- 68.** In promoting entrepreneurship and private investment the ILO recognizes the need to generate employment equitably for women and men. Furthering decent work through entrepreneurship, particularly in small and medium enterprises, has translated into technical support to these firms and their representatives, in providing protected and decent jobs. As access to capital is essential for any job-creating investment, the ILO has continued to drive efforts to innovate in financial service delivery and to disseminate information about what works in microfinance. Promotion of sustainable and locally sourced business development services that enhance knowledge and skills among entrepreneurs is integrated into ILO support as are initiatives to shift entrepreneurial attitudes and practice. This includes the importance of social dialogue and gender equality, and support for the principles underlying the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy and the international labour standards in general. One project in Turkey (box 9) has successfully demonstrated the linkages between worker and management relations, social dialogue and labour standards on the one hand, and quality and productivity on the other.

Box 9

Worker-manager education programme in the textiles sector in Turkey

Objectives of the project were threefold: (1) demonstrating the linkages between worker and management relations, social dialogue and labour standards on the one hand, and quality and productivity on the other; (2) stimulating interest for other enterprises in the textiles sector to participate in such training; and (3) developing an effective mechanism for sustained awareness-raising and training. Turkish partners included the Ministry of Labour, Ministry of Trade and the social partners.

Combining theoretical developments on decent work and productivity with practical application in enterprises, this project achieved the following:

- A needs assessment that ensured training was addressed to the specific needs of men and women participants.
- Core training materials were not only translated but also the exercises and case studies were adapted to ensure their relevance.
- Training was conducted in regional clusters so that the number of participants per course was kept low, while still training 140 participants in all. The cluster approach also mixed participants from organized and unorganized firms. This was particularly effective, as workers and managers could learn first-hand about the potential benefits of freedom of association in an enterprise.
- Each group of workers and managers identified an area of improvement in their conditions of work and productivity, which they implemented in their factory with on-site assistance from experts.
- One intangible outcome was the ability of women workers to express their needs and concerns with less hesitation.

A dissemination seminar stimulated further demand for such training by documenting the outcomes for each of the participating enterprises in a collection of case studies to be published in Turkish and English. Key institutions were identified for continuing training and links to other ILO projects forged, such as the EUD-funded project on social dialogue, to create further synergies.

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- 69.** The ILO is working with governments and social partners to review the enabling policies and regulatory frameworks to remove unnecessary barriers and simplify compliance. With representative associations and cooperatives, the ILO has developed training and materials to explain policy-making and promote voice and representation to advocate change more effectively.
- 70.** To improve the availability of finance and financial support services, the ILO has tested innovations that bridge the gap to the banking sector: guarantee funds, mutual guarantee associations, micro-equity, micro-leasing and micro-insurance. At the policy level, the ILO has broadened its partnerships with central banks in Africa and Asia to ensure an incentive-based environment for microfinance.
- 71.** In response to demand from countries undergoing massive structural transformation, the ILO is helping to develop national programmes for the unemployed who wish to set up their own business (in Bulgaria, Romania, and Serbia and Montenegro).
- 72.** At local level, the ILO's projects and other support have helped demonstrate opportunities for economic development and employment creation through integrated local action, to pioneer new approaches through pilot activities that enhance local policy coherence in terms of better linkages between investment, employment and poverty reduction policies and decent work.
- 73.** Through municipal and other local contracting that complies with labour legislation and safety standards, the ILO is improving access of low-income groups to productive infrastructure and social services. These initiatives are being linked to policy reform of

public investment programmes and emergency/rehabilitation work developed in crisis situations.

**Restatement of technical cooperation projections
and projected allocations of the 2000-01 surplus
in 2004-05 (in US\$)**

Operational objective 2c	Estimated extra-budgetary technical cooperation expenditure	Estimated 2000-01 surplus expenditure
Programme and Budget for 2004-05	44 949 000	4 319 790
Adjusted as of 31 December 2004	52 888 925	3 356 412
Change	7 939 925	-963 738

Note: The decrease in estimated 2000-01 surplus expenditure for 2004-05 is a result of reclassification of projects previously considered as contributing to "response to crisis and emergencies" to other operational objectives. A significant increase in estimated technical cooperation expenditure is noted.

Strategic Objective No. 3: Enhance the coverage and effectiveness of social protection for all

- 74.** The ILO's strategies on social protection are an integral part of the Decent Work Agenda. At international level, they contribute to the implementation of the MDGs and the follow-up to the World Summit on Sustainable Development; at national level, they form part of poverty reduction strategies and United Nations Development Assistance Framework processes.
- 75.** As in previous years, a prime concern is improving the protection of workers in the informal economy. The ratification and application of ILO Conventions relating to social security and labour protection are actively promoted.
- 76.** In 2004, the ILO provided member States with technical support and policy advice to broaden the coverage of social security systems, to make them more efficient and viable, to improve occupational safety and health and employment conditions, and to fight HIV/AIDS through workplace action, with special attention to particularly vulnerable groups. Policies and programmes address the specific needs of constituents and target groups and help make social protection a tool for combating poverty and social exclusion and reducing decent work deficits.
- 77.** The Global Campaign on Social Security and Coverage for All has promoted national and regional initiatives. Two publications, the ILO analysis of how HIV/AIDS affects the world of work and the ILO Migration Survey were issued.
- 78.** Social dialogue is a distinctive feature of all social protection strategies. Systematic gender analysis, planning and monitoring are carried out to ensure that social protection programmes are gender-sensitive in their design and implementation.

Operational objective 3a: Social security

Member States broaden the scope and the instruments of social security schemes (including for the informal economy and the poor), improve and diversify benefits, strengthen governance and management, and develop policies to combat the adverse effects of social and economic insecurity

Performance indicators	Targets
3a.1. Member States that adopt voluntary or public schemes, including the improvement of existing social security schemes, to extend social security coverage to previously uncovered sections of their populations	25 member States
3a.2. Member States or regions that initiate actions based on ILO advice or support either to improve or establish the financial, economic and fiscal sustainability of national social security schemes and systems, and their governance	15 member States
3a.3. Member States in which improved data are generated and comprehensive social policies are developed as a result of tripartite consultations that take into account ILO policy recommendations	20 member States

- 79.** The Global Campaign on Social Security and Coverage for All uses three means of action. First, it undertakes a range of research and experimentation. Second, it provides technical assistance. Core activities are efforts to improve the effectiveness of social dialogue in social protection and socio-economic security issues. Third, it advocates social protection mechanisms as a tool to achieve internationally accepted objectives, such as poverty reduction and other MDGs.
- 80.** Under indicator 3a.1, the Global Campaign has been launched in three countries (Mozambique, Nepal and Senegal). Two subregional projects supporting the extension of social security coverage are being implemented, respectively, in five African Portuguese-speaking countries, and in West and Central Africa. In Honduras a national action plan to extend social security is being implemented with ILO assistance and tripartite support. In India, Lao People's Democratic Republic and five Pacific Island countries measures to extend social security are being taken with ILO support.
- 81.** Policy discussions on national pension schemes benefited from actuarial valuations completed in ten countries (Antigua, Argentina, Barbados, Cyprus, Dominican Republic, Grenada, Guyana, United Republic of Tanzania, Sudan, and St. Kitts and Nevis) under indicator 3a.2. The Maastricht master's programme on social protection financing continued with its fourth group of students. A new programme on training social security actuaries is being designed. A textbook on social protection financing was published. In Thailand, the ILO is designing a sustainable financing system for universal health care. The reform of the Ghana National Health Insurance Scheme benefited from ILO assistance to redefine its administrative structure and financing basis for extended coverage (box 10).

Box 10

New national health insurance system in Ghana

The Government is committed to introducing a new national health insurance scheme by 2004. It aims to cover 50-60 per cent of the population with basic health-care needs within the next five to ten years. The new system will build on the network of existing mutual health organizations.

In September 2002 the ILO initiated a project providing expertise in social health insurance planning and policy design; health insurance financing and national health financing; and health insurance management.

In a unique example of inter-agency collaboration the Social Security National Insurance Trust of Ghana agreed to second two officials to the project and the Government of the United Kingdom seconded a project coordinator. ILO headquarters and the Office in Lagos supported the project with RBTC resources. The World Bank office joined in efforts to support the implementation of the new health insurance system. The project also serves as a pre-pilot for the ILO Global Social Trust.

These joint efforts have provided the Government with new methodological tools for the financial planning and management of the health sector (a national health budget model and a methodology for resource allocation between district health schemes), a detailed implementation plan for the set-up of the organization, and a methodology for identification of the eligible poor for subsidies. The subsidization mechanism will be tested in a pilot project which supports up to 10,000 poor women and men for three years. Support for the build-up of the new system may be expanded through a first full social trust pilot project financed with a new global social partnership by employees in Luxembourg.

Contact: Xenia Scheil-Adlung, Social Security Policy and Development Branch, ILO Geneva (scheil-adlung@ilo.org).

82. Under indicator 3a.3, the former international survey on the cost of social security is being revived with the testing of a new questionnaire in 20 countries. A worldwide survey on micro-insurance schemes has been published. A model assessment of the impact of HIV/AIDS on national health-care financing was developed in Botswana. The second round in the development of the socio-economic security database has commenced. In the previous round, information was collated for 104 countries, which will be extended to include at least 130 ILO member States in this biennium. The collection of data at the individual/household level and enterprise level has also started in four countries. Policy documents to guide the formulation of social policy have been prepared at the national, regional and global levels.

**Restatement of technical cooperation projections
and projected allocations of the 2000-01 surplus
in 2004-05 (in US\$)**

Operational objective 3a	Estimated extra-budgetary technical cooperation expenditure	Estimated 2000-01 surplus expenditure
Programme and Budget for 2004-05	14 324 000	348 180
Adjusted as of 31 December 2004	14 942 202	763 850
Change	618 202	415 670

Note: The increases in estimated expenditure result from previously unforeseen projects being developed and approved under this operational objective.

Operational objective 3b: Labour protection

ILO constituents target and take effective action to improve safety and health and conditions of employment with special attention to the most hazardous conditions at the workplace

Performance indicators	Targets
3b.1. Improved national programming and reporting on occupational safety and health: member States that make major progress in their occupational safety and health policies or capacities through ratification or application of ILO standards, implementation of ILO codes or guides, or launching of national programmes of action	32 member States
3b.2. Improved terms and conditions of employment: member States in which ILO tools, research, methodologies and legal instruments are used to improve terms and conditions of employment, protect maternity and reconcile work and family, including in small-scale enterprises and the informal economy	20 member States
3b.3. Protection of the rights and equal treatment of migrants: member States that establish policies and programmes for the protection of the rights and equal treatment of women and men migrants, and against their trafficking	10 member States
3b.4. National plans for combating HIV/AIDS in the world of work: member States that have incorporated a world of work component for both the formal and the informal economy, and workplace initiatives involving ILO tripartite constituents, into their national action plans to combat HIV/AIDS	20 member States

- 83.** Under indicator 3b.1, the global strategy for occupational safety and health (International Labour Conference, 2003) was applied in developing national action programmes and systems. New tools were developed, available online, in the form of an OSH information toolkit. International cooperation (WHO, IAEA, EU among others) has led to 100 new or updated international chemical safety cards (box 11) and on extending OSH protection in Viet Nam and South-East Asia (box 12). Ratification of OSH instruments has been promoted. Four countries (New Zealand, Senegal, Thailand and Zambia) have adopted an action programme on the globally harmonized system for the classification and labelling of chemicals. In Brazil, a National Programme for the Elimination of Silicosis was launched on the occasion of the World Day for Safety and Health at Work, 28 April 2004. Another 111 countries reported activities related to the World Day for Safety and Health at Work.

Box 11

Safe use of chemicals at work in Egypt

ILO Cairo facilitated translation into Arabic of the International Programme on Chemical Safety cards. Following the adaptation to Arabic of a specific computer programme to translate the cards, a dictionary of standard phrases has been established in Arabic. A technical meeting of chemical experts from different Arab countries was convened by ILO Cairo to decide on modifications to terminology so that the cards could be understood by all users in Arab countries. This set of cards will not only represent a collection of validated practical ready-to-use information in Arabic but will also be used for future ILO capacity building aimed at reducing hazards linked to hazardous chemicals at work.

The successful achievement of this objective in Egypt will also benefit other countries in the region. It is an example of an integrated and coherent approach, with ongoing cooperation between several countries, between governmental institutions, and between the ILO and the WHO. Once revised, the terminology will be used to produce the second draft translation of the collection. This will be submitted to the group of experts to achieve consensus prior to publication of the cards in Arabic. The cards will also be used during the biennium for capacity building on the safe use of chemicals in Sudan.

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Box 12

Extending occupational safety and health (OSH) protection in Viet Nam and South-East Asia

To improve safety and health in agriculture, small enterprises and small construction sites, and strengthen the government policy to extend OSH protection to these sectors, the ILO, in collaboration with inter-ministerial and inter-agency joint action, conducted a WIND (Work Improvement in Neighbourhood Development) programme in the pilot province of Cam Tho, southern Viet Nam. A total of 3,402 farmers participated in WIND training courses from 2001 to 2003 and 169,393 self-made OSH improvements in agriculture were reported. The ILO has also adapted WIND for use in Thailand using Vietnamese experts.

In 2004, based on these achievements, a new project on OSH in agriculture was launched in four target provinces. Local government officials and NGO representatives were trained as core WIND trainers to provide practical training support to farmers. Core WIND trainers are expected to train and further support farmer-WIND-trainers, who will spread practical OSH knowledge to other farmers.

The participatory training support was extended to workers and employers in the small construction sector. In collaboration with OSH specialists and government agencies in Laos and Thailand, a new participatory training programme, WISCON (Work Improvement in Small Construction Sites) was developed and applied to specific sites in Lao People's Democratic Republic, Thailand and Viet Nam in response to immediate local needs.

Contact: Tsuyoshi Kawakami, Safety and Health Specialist, ILO Bangkok, (kawakami@ilo.org).

- 84.** For indicator 3b.2, a range of tools and research have been produced on wages, working time, work and family, maternity protection (database, information sheets, training modules) leading to higher ratifications (Conventions Nos. 111, 171, 156, 183) and assistance to countries in revising relevant labour protection policies. Practical tools and new methods of improving working conditions in small and medium-sized enterprises, in the informal sector and in agriculture have been developed.
- 85.** The Office prepared a comprehensive report entitled “A fair deal for migrant workers in a global economy” for the general discussion at the International Labour Conference in 2004 (indicator 3b.3). This report contains a review of trends in migration, its impact and consequences, the conditions of employment of migrant workers, an assessment of the state of national legislations and the continued relevance of ILO Conventions, technical cooperation activities of the ILO in the field of migration, and best practices in the management of labour migration. The report was accompanied by a volume on the “ILO Migration Survey 2003: Country summaries”, which for the first time compares detailed information on migration laws, policies and practices in 93 countries. It also identified the countries now contemplating ratification of one or both ILO Conventions on migrant workers.
- 86.** In tandem, the ILO organized a number of subregional seminars to discuss cooperation on the management of migration (countries in the Mekong Delta region and in East and West Africa) and carried out advisory missions on a number of issues (i.e. possible ratification of Conventions Nos. 97 and 143 in the Philippines and Sri Lanka, the social integration of migrants in Ireland, enhancing development impact of migration in the Republic of Moldova, capacity building in Nepal). The ILO is currently carrying out six technical cooperation activities – an EU-funded project for strengthening migration management in the African region (except southern Africa); an EU-funded project to promote best practice in social integration in Europe; an Italian-funded project for assessing discrimination in access to employment in Italy; an Irish-funded project to provide women with alternative employment at home to counteract trafficking; a French grant for improving information on migration legislation in Central Africa; and a joint project with UNHCR to identify the implications for host countries of the possible absorption of Afghan refugees (many of whom are now economic migrants). The Social Finance Unit is studying the effect of migrants’ remittances on the poverty situation in their countries of origin.

87. Under indicator 3b.4, joint employer/worker action plans on HIV/AIDS in the workplace are being implemented with ILO assistance in eight countries (Côte d'Ivoire, Ghana, Kenya, Malawi, Mali, United Republic of Tanzania, Uganda and Zambia). The consensus statement adopted by the tripartite interregional meeting on best practices in HIV/AIDS workplace policies and programmes (December 2003) is being used in technical cooperation in 25 countries with strong support from several donors (box 13). New tools on workplace policies and action and guidelines for employers and for workers have been designed. Global estimates on HIV/AIDS have been published in conjunction with the XV International AIDS Conference (Bangkok, 2004) and in support of ILO advocacy programmes.

Box 13

Integrated approach: A mutual benefit health scheme, microfinance and HIV/AIDS in Burkina Faso

In the community-based social protection scheme of Song Taab Laafi Sulli de Komki, 40 kilometres from Ouagadougou, Burkina Faso, an integrated approach has been put into practice with four specific objectives:

- psychological support to affected households;
- fight against stigmatization and discrimination;
- improved access to health services, including men, women and children affected by HIV/AIDS;
- increasing financial and economic resources for affected households.

ILO partners were Initiative Privée et Communautaire (to combat HIV/AIDS), AQUADEV (an NGO providing technical support to microfinance systems), ILO/STEP programme (Strategies and Tools against Social Exclusion and Poverty) and the Ministry of Social Affairs and National Solidarity.

This population is now covered against health-related risks and has access to five health-care and social promotion centres in the area with outpatient care, child and maternal health, hospitalization and minor surgery. A lump sum covers emergency transfers to Ouagadougou for severe cases.

The results obtained show the potential (and the limits) of community-based schemes in improving access to health and to anti-retroviral (ARV) treatment. This experience could be applied to assessing how to improve the use of subsidies for HIV/AIDS, which too often do not reach the targeted population, especially the poorest.

Community-based social protection schemes and, in particular, mutual benefit societies are rapidly growing in Burkina Faso. This experience could be reproduced at national level and be shared at regional level, in particular, through the "Coordination network between actors involved in the development of mutual health organizations in Western and Central Africa".

Contact: Christine Bockstal, ILO Dakar (bockstal_DAK@ilo.org).

88. In designing and pursuing its strategy towards better labour protection, the Office continues to develop and build upon partnership with other multilateral agencies active in this field, notably ISSA, WHO, IAEA, UNHCR, IOM, EU and UNAIDS. It benefited from the efficient collaboration of the International Training Centre of the ILO in Turin in the design and implementation of several innovative products and activities.

Restatement of technical cooperation projections and projected allocations of the 2000-01 surplus in 2004-05 (in US\$)

Operational objective 3b	Estimated extra-budgetary technical cooperation expenditure	Estimated 2000-01 surplus expenditure
Programme and Budget for 2004-05	10 251 000	886 480
Adjusted as of 31 December 2004	15 882 976	781 185
Change	5 631 976	-105 295

Note: The decrease in estimated 2000-01 surplus expenditure is a result of projects being cancelled as a result of re-prioritization. A significant increase in estimated technical cooperation expenditure is noted.

Strategic Objective No. 4: Strengthen tripartism and social dialogue

- 89.** The primary purpose of the follow-up to the 2002 resolution concerning tripartism and social dialogue is the demonstration of the added value of tripartism and social dialogue as tools for achieving the ILO's outcomes through specific constituent-driven country programmes. Five countries (Bahrain, Mongolia, Peru, Senegal and Turkey) were selected with the purpose of identifying one or more substantive issues of national concern to be addressed through tripartite dialogue and of analysing tripartism and social dialogue at national level. For example, constituents have decided to focus on the extension of social protection through social dialogue; the elaboration of local employment promotion strategies targeting the reduction of informal employment; and management and skills development for productivity and competitiveness in the private sector. To implement these national plans successfully, follow-up involves collaboration with all the technical sectors and the field structure both to develop and deliver national plans of action and to disseminate good practices.
- 90.** The conclusions of the Social Partners Forum, organized in September 2004 within the context of the African Union Extraordinary Summit on Employment and Poverty Alleviation, reiterated the importance of social partner participation in addressing critical development challenges at the national and regional levels. Work is continuing on the extension of voice and representation to the informal economy and boosting the participation of employers' and workers' organizations in poverty reduction strategies. The ILO's contribution to the Global Compact is being strengthened through increased participation by workers' and employers' organizations in all regions.
- 91.** The ILO is providing integrated assistance to a number of countries in the areas of labour law, labour administration and the creation or reform of social dialogue institutions. A multi-pronged approach has been adopted to establish or strengthen gender-responsive social dialogue institutions, machinery and processes. Practical materials on the poverty reduction strategy process and gender equality have been published and direct assistance in this area is scheduled. The work on promoting the ratification and implementation of Convention No. 144 undertaken in the last biennium continues to bear fruit, with a number of countries taking concrete steps towards ratification. A comprehensive report on the scope of the employment relationship was distributed to constituents in preparation for the discussion at the Conference in 2006.
- 92.** Following the review and decision of the Governing Body in March 2003, a new programme of sectoral action programmes was launched in six economic sectors. Sectoral issues are being raised to international prominence through a strategic mix of global meetings, national activities, action programmes, standards-related activities and collaboration with other international organizations. Since January 2004, 24 ratifications of sectoral Conventions have been registered. The considerable progress on the consolidated maritime instrument continued in 2004, including the Preparatory Technical Maritime Conference, as well as the work on security in shipping and in ports.

Operational objective 4a: Social partners

The representation, services and influence of the social partners are strengthened

Performance indicators	Targets
4a.1. Employers' or workers' organizations that provide new or improved services to their members or strengthen their capacity to provide such services	(i) employers' organizations in 35 member States (ii) workers' organizations in 40 member States
4a.2. Employers' or workers' organizations that take policy or practical initiatives to extend representation of their organizations	(i) employers' organizations in 20 member States (ii) workers' organizations in 40 member States
4a.3. Member States in which the social partners have greater capacity to influence economic and social policies and programmes	30 additional member States

- 93.** The ILO is strengthening partnerships with international organizations working on priority issues such as HIV/AIDS, Global Compact and Poverty Reduction Strategy Papers to demonstrate the contribution of social partners to such initiatives. The ILO is promoting women's leadership in business, thereby enhancing their position in employers' organizations. Programmes to sensitize and activate employers' organizations on the issues of child labour, and to assist employers' organizations to develop a policy agenda addressing the informal economy are also being implemented.
- 94.** In 2004, the ILO's technical cooperation strategy developed during the 2002-03 biennium assisted employers' organizations and their members to better respond to emerging national, regional and global challenges. A priority theme is productivity and competitiveness – a major concern of employers' organizations. The strategy is being taken a step further with emphasis on programming to better reflect constituents' needs.
- 95.** A master's degree course on labour policies and globalization was initiated in Germany in cooperation with international partner universities. Initial results have focused on capacity building and awareness raising of workers' organizations through the use of the ILO Declaration in Sao Tome and Principe. In Romania, trade unions established a partnership with the Ministry of Education to promote the ILO Declaration and its integration into the new secondary school curriculum on civic education.
- 96.** Emphasis on strategic priorities through the ILO's technical cooperation strategy has had an impact in a number of key areas such as increased trade union representation, and services to vulnerable groups on occupational safety and health and HIV/AIDS (box 14). In Cambodia 60 per cent of the workers in the garment and textile sector are now organized. Training in collective dispute handling systems has been imparted. Thirty-five cases have been settled by the Arbitration Council and seven cases are being examined. In Malawi, Mozambique, Namibia, Zambia and Zimbabwe institutional linkages between trade unions and the informal economy have been established (box 15).

Box 14

Bulgarian Industrial Association establishes occupational safety advisory service

The Industrial Association of Stara Zagora, local member of the Bulgarian Industrial Association, has established a new service to assist its members to comply with EU occupational safety directives. The ILO has been instrumental in providing the technical advice and collaborating with the Industrial Association. Bulgarian law, now set to be changed, established a link between the level of risk and the wage, thereby removing incentives to both employers and workers to invest in safer working conditions. The ILO assisted in organizing a national conference on employers' responsibilities and international safety regulations and facilitated an exchange with the National Construction Confederation of Belgium. The new occupational safety service has enabled the Industrial Association to quadruple its membership.

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Box 15

Establishing institutional linkages between trade unions and informal economy trade associations in southern Africa

The informal economy in the countries of southern Africa is expanding rapidly, yet working conditions are often unsafe and incomes generally low. Exploitation of men and women workers and infringement of rights are common. ILO initiatives encouraged trade unions to establish formal linkages with informal economy trade associations, with the following results:

- In Malawi, the Malawi Union for the Informal Sector (MUFIS) has formally applied to affiliate to the Malawi Congress of Trade Unions (MCTU).
- In Zambia, the Alliance for Zambia Informal Economy Associations (AZIEA) has applied for affiliation to the Zambia Congress of Trade Unions (ZCTU) as an associate member.
- In Zimbabwe, the Zimbabwe Congress of Trade Unions has signed a Memorandum of Understanding with the Zimbabwe Chamber of Informal Economy Associations.

In Malawi, Zambia and Zimbabwe, trade union federations have helped the informal economy trade associations to establish umbrella bodies based on democratic principles. In addition, the trade union federations and their informal economy counterparts have mapped out education and training programmes for the informal economy workforce in the subject areas of: knowledge of national labour laws and the by-laws of the municipalities; occupational health and safety; HIV/AIDS; and basic business management. Trade union federations have pledged to play an advocacy role to promote the interests and defend the rights of the men and women workers in the informal economy. Similar initiatives have been started in Mozambique and Namibia.

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97. In Colombia, Central America, Mozambique, India, Peru and Uganda gender equality associations have made progress in the promotion of women's rights. Capacity to provide new services allowed trade unions (for example in Eritrea, South Africa and Vanuatu) to approach authorities with specific claims for improvement of workers' rights. Youth employment and protection of migrant workers has been promoted in Brazil and Chile. In Nepal and Zimbabwe, trade unions have strengthened their struggle against child labour and in Mali workers' and employers' organizations joined together in this work – and also in Ecuador (box 16). The capacity of trade union organizations to analyse labour market trends and facilitate the adoption of employment policy proposals based on equal remuneration and treatment is being enhanced with a special emphasis on improving trade unions' participation in PRSP processes. Programmes for vocational training, mainstreaming gender as well as addressing the needs of workers in the informal economy are being developed and implemented in Algeria, Burkina Faso, Chile, Ghana, India, Kenya, Nepal, Niger, Paraguay, Rwanda, United Republic of Tanzania, Uganda, Venezuela and Yemen.

Box 16

Creation of the National Labour Council in Ecuador

Social dialogue in Latin America has traditionally taken the form of ad hoc processes focused on urgent issues at stake. In recent years, a number of countries have decided to establish permanent structures for social dialogue, in order to address the necessary changes in the labour market more systematically. In June 2004, Ecuador established the National Labour Council; the ILO was instrumental in facilitating its creation. ILO assistance varied from sensitizing the social partners on the benefits of dialogue to providing technical assistance in drafting the legislative framework for founding the Council, including assistance with its internal regulations. The process was supported by the Spanish-funded technical cooperation project on strengthening social dialogue institutions in Latin America.

The National Labour Council will enable workers' and employers' organizations and government institutions to exchange views, increase trust and seek consensus on issues such as employment-generation measures and labour law reforms. This tripartite approach will help to reach broadly based support for changes, improve working conditions and consequently increase the competitiveness of the national economy. The project continues to assist in providing training on negotiating techniques and in setting up a permanent secretariat for the Council.

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Restatement of technical cooperation projections and projected allocations of the 2000-01 surplus in 2004-05 (in US\$)

Operational objective 4a	Estimated extra-budgetary technical cooperation expenditure	Estimated 2000-01 surplus expenditure
Programme and Budget for 2004-05	6 871 000	1 943 000
Adjusted as of 31 December 2004	7 303 097	4 045 229
Change	432 097	2 102 229

Note: The increase in estimated 2000-01 surplus expenditure for 2004-05 results from a roll-over of unspent funds from 2002-03, indicating that delivery levels in 2002-03 were lower than the targeted level. This is mainly due to a reclassification of allocations to this operational objective, mainly from projects previously considered as contributing to operational objective 4b and gender equality.

Operational objective 4b: Governments and institutions of social dialogue

The legal frameworks, institutions, machinery and processes for social dialogue are strengthened

Performance indicators	Targets
4b.1. Member States that ratify and effectively apply ILO Conventions addressing the institutions or practice of social dialogue	(i) 3 ratifications of Convention No. 144 (ii) 5 ratifications of Convention No. 154 (iii) 5 member States implement Convention No. 144 more effectively (iv) 15 ratifications of Conventions in specific sectors
4b.2. Member States that adopt legislation based on ILO standards and advice, with the involvement of the social partners	10 additional member States that adopt labour laws or other employment-related legislation based on ILO advice and involving a tripartite consultative process

Performance indicators	Targets
4b.3. Member States that establish or strengthen legal frameworks, institutions, machinery or processes for bipartite and tripartite social dialogue	<ul style="list-style-type: none"> (i) 5 member States establish or strengthen tripartite institutions (ii) 5 member States improve the collective bargaining framework and processes (iii) 5 member States establish or strengthen dispute prevention or resolution mechanisms so that disputes are dealt with more efficiently, effectively and equitably
4b.4. Member States where social dialogue institutions or processes, labour administrations and labour laws are more gender-responsive	<ul style="list-style-type: none"> (i) 5 member States increase the number of women represented in social dialogue institutions (ii) 5 member States increase the number of issues that are addressed in a gender-responsive way through social dialogue institutions and processes (iii) 5 member States where gender-responsive tripartite consultations are undertaken in the drafting of labour laws (iv) 5 member States improve gender balance in relation to procedures established under Convention No. 150
4b.5. Member States that strengthen labour administrations in their policy-making capacity, their responsibility for the implementation of decent work policies and their enforcement of labour law	<ul style="list-style-type: none"> (i) 5 member States modernize their labour ministries (ii) 5 member States upgrade the skills of officials in labour administrations (iii) 5 member States ratify Convention No. 150
4b.6. Member States and regional or subregional groupings where social dialogue is more widely used for consensus building, economic and social development, and good governance	<ul style="list-style-type: none"> (i) 3 regional or subregional groupings that integrate a tripartite approach to economic and social policy-making (ii) 10 member States that include the social partners in the PRSP process (iii) 5 member States that extend the subject matters of social dialogue
4b.7. Member States where constituents use social dialogue to target and take effective action to improve working and living conditions in specific economic sectors	15 cases where Conventions are ratified or legislation is adopted to provide for improved working conditions in a specific economic sector

98. The ILO continues to provide integrated assistance to social dialogue institutions and processes (box 17). Training material on national social dialogue has also been developed and piloted. Assistance in improving frameworks and processes is being pursued in conjunction with the promotion of the Collective Bargaining Convention, 1981 (No. 154), and the collection of data on collective bargaining, including through social dialogue indicators. The establishment or strengthening of dispute prevention and resolution mechanisms remains an area of considerable constituent demand; innovations in this area have proven to be capable of significantly influencing the industrial relations environment in a positive manner.

Box 17

Capacity building in employers' organizations in the occupied Palestinian territories, Yemen and Iraq

Strong, efficient and independent employers' organizations which are able to regain the trust and confidence of their members even under the most severe conditions was the challenge for this ILO project. Partners and direct beneficiaries included the Federations of Chambers of Commerce and Industry (FCCI) and, as indirect beneficiaries, member enterprises, particularly small and medium enterprises.

Despite the difficult situation in the occupied Palestinian territories, activities were implemented as close to the schedule as possible. Local consultants were engaged to carry out activities and deliver services. Some delays were compensated by tightening the programme to meet the time-line. ILO interventions helped in re-establishing the position of the FCCI as the umbrella organization and in increasing the trust of members in its capacity to serve private enterprises. A new and third phase of technical assistance programme is under preparation.

In Yemen, the long dormancy of the employers' organization negatively affected the overall performance of its human resources (which are already relatively weak) and its relationship with members. Here, the intended results will take much longer and will heavily rely on a comprehensive technical programme by the ILO to rebuild the human and physical capacity. At the request of the new management of the FCCI, the ILO has been providing consultancy services to reorganize and restructure the FCCI.

For Iraq, activities were implemented outside the country, mainly in Amman, Jordan. Several initiatives that have been taken (preparatory meeting, round table discussion, training workshops and consultancy services) are expected to pave the way to a fully fledged capacity-building project that will focus on human resource development and the re-establishment of contact with regional and international business and employers' organizations.

Contact: Lama Nasr, ILO Beirut (nasr@ilo.org).

- 99.** The ILO continues to assist member States in revising and drafting labour laws and other employment-related legislation, based on international labour standards and, with the involvement of the social partners, reflecting local needs and capacities. Local capacity to draft legislation is being promoted through the development of practical tools, prepared in collaboration with the Turin Centre. Specific labour law issues and challenges such as the integration of the informal economy, gender equality, employment contracts and HIV/AIDS are being addressed through appropriate legislation, research or information dissemination. Improving implementation of labour legislation is addressed through strengthening labour ministries, improving the capacity of labour courts and bolstering alternative dispute systems.
- 100.** Constituent demand for strengthening and modernizing labour ministries has remained strong in all regions. Assistance was provided to design labour administration policy, including examining different methodological approaches. A training manual for permanent secretariats of national tripartite bodies, first produced in French, has been translated into English, Portuguese and Spanish. Advisory services based on labour administration assessments carried out previously have been tailored to meet specific national needs. The Labour Administration Convention, 1978 (No. 150), continues to be a significant tool for pursuing wide-ranging assistance. Preparatory work on the role of labour administration in the informal economy, aimed at bringing the informal economy closer to the formal economy, has been undertaken, and will result in specific guidelines for governments on undeclared work and the informal economy.
- 101.** Work is progressing on the consolidation of maritime labour standards into a single instrument. The 92nd Session of the International Labour Conference discussed the new standard (a Convention supplemented by a Recommendation) for the fishing industry to be adopted during the 93rd Session of the ILC.
- 102.** The new approach to sectoral activities is showing first results; national steering groups are operating and concrete activities have begun in at least three programmes (agriculture,

construction and textiles, clothing and footwear, and in three components of the cross-sectoral HIV/AIDS programme, i.e. education, health and transport). Two other action programmes in education (box 18) and in hotels, catering and tourism have been launched.

Box 18

**Workers' education assistance in integrating women members
in rural women's organizations in India**

This project helps to empower and organize rural women workers into trade unions, workers' education activities and improvements in working and living conditions through poverty eradication programmes. In partnership with six rural workers' organizations, collaboration with rural women workers was supported in selected districts of India (Indore in Madhya Pradesh; and in the Salem, Trichy, Sivgantai and Thirvallur districts of Tamil Nadu State).

Women rural workers were organized in large numbers as paid members of trade unions and also into self-help groups (around 177 groups have been formed since mid-2003). Women are receiving the benefits of awareness on prevention and elimination of child labour, HIV/AIDS, labour laws, women's rights, various government schemes and social security funds available for rural poor.

The income-generation project was established for charcoal-making, dairy products, goat rearing, handloom weaving and many other activities, assisting around 400 women to obtain a dignified and decent livelihood. The real results of this project are seen in their collective actions for demands and rights. Since the ILO intervention, these women workers can now defend their interests collectively. The income-generation project activities have set an example whereby banks and other institutions can see the impact and subsequently support such activities in a multiplier effect.

Contacts: Niels Enevoldsen, Bureau for Workers' Activities, ILO Geneva (enevoldsen@ilo.org); Ms. Susamma Varghese ILO Project Office, Chennai, India.

- 103.** A new sectoral code of practice on security in ports has been published.¹⁵ Other codes and guidelines have been further disseminated through translation into additional languages and workshops to promote their implementation. The Tripartite Meeting on the Future of Work and Quality in the Information Society: The Media, Culture, Graphical Sector adopted wide-ranging conclusions, including specific requests for ILO action in relation to the second phase of the World Summit on the Information Society.

**Restatement of technical cooperation projections
and projected allocations of the 2000-01 surplus
in 2004-05 (in US\$)**

Operational objective 4b	Estimated extra-budgetary technical cooperation expenditure	Estimated 2000-01 surplus expenditure
Programme and Budget for 2004-05	17 190 000	1 407 490
Adjusted as of 31 December 2004	21 954 024	1 107 774
Change	4 764 024	-299 716

Note: The decrease in estimated 2000-01 surplus expenditure for 2004-05 is a result of reclassification of projects previously foreseen as contributing to this operational objective. The decrease is partly compensated by new approvals. An increase is noted for estimated technical cooperation expenditure.

Shared policy objectives

- 104.** In recognition of the importance of key development areas, six shared policy objectives were identified in the Programme and Budget for 2004-05: an integrated approach to decent work; poverty reduction and social inclusion; gender equality; international partnerships; knowledge and statistics; and communication and visibility. The six shared objectives cross the four strategic objectives of the Decent Work Agenda to ensure greater

¹⁵ *Security in ports: ILO/IMO code of practice*, ILO, Geneva, 2004.

coherence and strengthen Office-wide collaboration. All ILO units, in the regions and at headquarters, including the International Training Centre of the ILO, Turin and the International Institute for Labour Studies contributed to the outcomes described below, which are expressed in results-based terms for each objective.

An integrated approach to decent work

- 105.** Progress towards decent work requires both in-depth work on each of its different dimensions and an integrated approach that brings these dimensions together in a coherent and consistent policy framework. Inconsistencies between economic, financial and social policies are widely criticized at both global and national levels.
- 106.** At the national level, there is a widespread demand for ILO support to the Decent Work Agenda, both in its own right and as part of wider national development strategies (e.g. poverty reduction strategies, MDGs and UNDAF). Integrating a coherent Decent Work Agenda in policy frameworks requires the development of new integrated analytic tools and policy packages; building the capacities of ILO constituents and the Office to influence national and international policy agendas and to implement integrated action plans and the development of indicators for monitoring outcomes.

Operational objective: An integrated approach to decent work

Constituents in member States adopt and apply integrated economic and social policies that promote decent work

Performance indicators	Targets
(a) The global policy debate is influenced by ILO analytical work on integrated economic and social policies within the multilateral system	3 published analytical policy papers are discussed in multilateral policy forums
(b) Constituents in member States that adopt integrated policies to pursue decent work goals	Constituents in 12 member States

- 107.** The ILO has influenced the global policy debate on globalization. The recommendations of the World Commission on the Social Dimension of Globalization have been widely discussed in several multilateral policy forums in 2004, including at the United Nations and in meetings of the Bretton Woods institutions, as well as in discussions, meetings and forums organized by the World Trade Organization, UNCTAD, OECD and UNESCO. Informal consultations have been held with nine multilateral organizations to contribute to coherent policy development.
- 108.** Four country studies on the social dimension of regional integration have been done through a joint project with ASEAN on the employment and social impact of trade liberalization. A study on the social dimension of regional integration in West Africa (with ECOWAS) has been published as background to the AU Summit (Ouagadougou, 2004).
- 109.** The Decent Work Pilot Programme (DWPP) in developing an integrated strategy for coherence on economic and social policies at the country level was reviewed by the Committee on Employment and Social Policy of the Governing Body in November 2003.
- 110.** In the seven countries participating in the DWPP, the integrated approach has led to the enhanced visibility of ILO constituents and their ability to influence policy at the country

level. Social dialogue has facilitated the identification of policy priorities, enhanced ownership and in some instances has led to consensus on policy reform in response to globalization. Lessons of the DWPP are widely shared across the Office to strengthen Office capacities for mainstreaming decent work country programmes.

- 111.** In Asia and the Pacific, decent work action plans are developed in a larger number of countries in the follow-up to the recommendations of the Thirteenth Asian Regional Meeting.
- 112.** In countries that have adopted integrated decent work action plans, technical support is provided and efforts are made to mobilize resources for their implementation. Cross-Office teams have been formed to support each of the DWPPs. Regular interregional exchanges of experiences are held in Turin.
- 113.** Practical and integrated tools on key issues of policy integration are developed for use across countries. These include: a manual on productivity, competitiveness and decent work; a resource kit and a database on decent work and local development; policy packages on flexibility and security in labour markets.

Restatement of technical cooperation projections and projected allocations of the 2000-01 surplus in 2004-05 (in US\$)

An integrated approach to decent work	Estimated extra-budgetary technical cooperation expenditure	Estimated 2000-01 surplus expenditure
Programme and Budget for 2004-05	–	1 868 090
Adjusted as of 31 December 2004	3 992 000	860 565
Change	3 992 000	-1 007 525

Note: The decrease in estimated 2000-01 surplus expenditure for 2004-05 is a result of accelerated delivery in 2002-03 which meant that a large part of resources originally earmarked for 2004-05 were expended early. An increase is noted for estimated technical cooperation expenditure.

Poverty reduction and social inclusion

- 114.** Poverty reduction is today driving the international and national development agenda. It tops the list of the eight internationally agreed MDGs to be achieved by 2015. For poverty reduction strategies to succeed, the linkages between decent work and poverty reduction are critical.

Operational objective: Poverty reduction

Member States include decent work goals in national poverty reduction policies and programmes

Performance indicator	Targets
Member States that include decent work goals and facilitate tripartite participation in national poverty reduction policies and programmes	20 member States

- 115.** The ILO is supporting the integration of the Decent Work Agenda in the national PRS processes in some 15 countries. This is done through strengthening the capacity of constituents to influence the national policy agenda on poverty reduction and in partnership with the UN system and the development community. Efforts to raise the visibility of decent work as a key element in the international poverty reduction agenda continue, including in the context of major global reviews of MDGs and PRSPs in

2004-05. Assessment of the first generation of poverty reduction strategies is the subject of ongoing dialogue with the World Bank and major donors.

- 116.** A comprehensive and practical manual on “Decent work and poverty reduction” has been produced and validated for use by constituents and ILO staff.
- 117.** Cross-Office work is ongoing on decent work and the informal economy, especially in relation to poverty reduction. Cases of “good practice” are being compiled. Preparations are ongoing for a “knowledge fair” on decent work and the informal economy to coincide with the International Labour Conference in 2005.

Restatement of technical cooperation projections and projected allocations of the 2000-01 surplus in 2004-05 (in US\$)

Poverty reduction and social inclusion	Estimated extra-budgetary technical cooperation expenditure	Estimated 2000-01 surplus expenditure
Programme and Budget for 2004-05	–	–
Adjusted as of 31 December 2004	728 000	129 615
Change	728 000	129 615

Note: The increases in estimated expenditure for 2004-05 result from projects previously foreseen as contributing to the operational objective on “An integrated approach to decent work” being reclassified as contributing to this operational objective.

Gender equality

- 118.** Implementation of the gender mainstreaming strategy in ILO programmes includes action within the framework of decent work country programmes, the follow-up to the ILO Declaration on Fundamental Principles and Rights at Work, matters raised in the report of the World Commission on the Social Dimension of Globalization as well as the follow-up to the 2004 ILC resolution concerning the promotion of gender equality, pay equity and maternity protection.

Operational objective: Gender equality

ILO constituents take positive action to increase gender equality in the world of work

Performance indicators	Targets
(a) Member States that ratify at least one additional Convention with specific relevance to gender equality and all four of the key equality Conventions Nos. 100, 111, 156 and 183	25 member States have ratified at least one of the key Conventions Nos. 100, 111, 156 and 183 during the biennium, and ten member States have ratified all four key equality Conventions
(b) Constituents introduce positive changes in their policies, legislation, programmes or institutions aimed at bringing about significant improvements in equality between women and men in the world of work	In 25-30 member States, policies, legislation, programmes and institutions of constituents contribute to increased gender equality with regard to rights, employment, social protection and social dialogue

Performance indicators	Targets
<p>(c) ILO constituents make measurable progress in the representation of women at decision-making levels to attain balanced participation of men and women</p> <p>The latter is a long-term indicator. In the immediate term, the targets are set on participation in the ILO's governance institutions (Governing Body and International Labour Conference), and in meetings, seminars and training activities</p>	<p>For the 2004-05 biennium an accurate count will be made of the number and status of women and men participating in ILO meetings, seminars and training, under regular and extra-budgetary funding</p>

- 119.** For indicator (a), the ratification of at least one additional key equality Convention, work is pursued in 14 countries (Belize, Bulgaria, China, Czech Republic, Estonia, Ethiopia, Japan, Malaysia, Mali, Namibia, Pakistan, Qatar, Thailand, Uganda) (target is 25 member States). In the reporting period Comoros has ratified Convention No. 111; Lithuania and Mauritius have ratified Convention No. 156; and Albania, Austria, Belarus and Cuba have ratified Convention No. 183.
- 120.** For the ratification of all key equality Conventions, work has commenced in ten countries out of a targeted ten (Argentina, Azerbaijan, Brazil, Cyprus, Republic of Korea, Lebanon, Mauritius, Republic of Moldova, Niger, South Africa). Experience has shown that there is a time lag of three to five years from the time the Office begins work in a country to when a country is a realistic candidate for ratification.
- 121.** For indicator (b), work is carried out through ILO programmes under the four strategic objectives. The following examples can be reported.
- 122.** Gender mainstreaming in research on labour market flexibility and employment security is under way in five Central and Eastern European countries. National reports have been prepared in Croatia, Hungary and Poland and national tripartite workshops have been held to guide constituents in their policy choices.
- 123.** The Office has been assisting 11 countries in four regions¹⁶ through research, advocacy and technical cooperation projects on gender equality and decent employment, with a rights-based and life-cycle approach, mostly in the informal economy.
- 124.** In Georgia and Indonesia the ILO is collaborating with the Women's Entrepreneurship Development and Gender Equality (WEDGE) programme to link women entrepreneurs with employers' organizations. The programme has assisted the development of a gender policy for small and medium enterprises for the Government in Kenya and laid-off women workers in Ethiopia through a tripartite initiative.
- 125.** The Office is undertaking work-family studies and follow-up in Azerbaijan, Belize, Cameroon, Egypt, Mauritius, Philippines, Tunisia and Zambia to assist constituents to better understand the problems of reconciling work and family and how policies can affect gender equality.
- 126.** The "Resource kit for trade unions on promoting gender equality" prepared by the Office has been translated into several languages,¹⁷ and is widely used for training and awareness

¹⁶ Bangladesh, India, Indonesia, Sri Lanka and Viet Nam in Asia; Kyrgyzstan in Central Asia; Costa Rica, Guatemala, Honduras and Jamaica in Central America; and the United Republic of Tanzania in Africa.

¹⁷ English, French, Spanish and Japanese.

in East Africa, Europe, Latin America and South-East Asia. It is used in training programmes for workers by the Turin Centre. National trade unions, the ICFTU, the Global Union Federations and International Trade Secretariats are benefiting from this kit.

- 127.** Case studies are being conducted in five countries and one subregion¹⁸ of initiatives taken by employers' organizations to address gender concerns in their work, and services to member enterprises.
- 128.** A guide on integrating gender equality in poverty reduction strategies through social dialogue has been produced for constituents and tripartite activities have been organized in Ethiopia and Ecuador; in Peru the guide has been introduced to constituents on an individual basis.
- 129.** With 2000-01 surplus funds, 13 projects in 25 countries are currently under implementation. Initial results point to the commitment of social partners to gender equality in the textile and clothing industry in Morocco, integration of gender equality in poverty reduction policies in Argentina, Chile, Paraguay and Uruguay, promotion of women's employment in the Islamic Republic of Iran, and three regional action plans on gender development in the Russian Federation.
- 130.** For indicator (c), a database to capture the information has been established and initial information collected¹⁹ shows that overall 72 per cent of participants at ILO meetings and conferences are men and 28 per cent are women. Among Government representatives the split is 69 per cent men and 31 per cent women, for Worker representatives 70 per cent men, 30 per cent women and for Employer representatives 83 per cent men and 17 per cent women.

Box 19
ILO gender audit

The gender audit methodology aims to promote learning and self-assessment about gender equality and gender mainstreaming at organizational and individual levels through a participatory approach. The ILO conducts gender audits in accordance with the Action Plan for Gender Equality and Gender Mainstreaming in the ILO. Through the gender audits, qualitative as well as quantitative data on the level of gender awareness and gender mainstreaming are compiled for ILO constituents and ILO headquarters units and field offices. So far, 27 gender audits have been undertaken. Some of the key findings are:

- Gender mainstreaming requires the presence of a sound management structure and culture.
- Gender mainstreaming requires commitment from senior management if it is to trickle down to individual staff level.
- A work unit with high numbers of good practices of gender mainstreaming tends to be more satisfied with the management structure.
- Challenges in gender mainstreaming do not only rest with internal staff but also with constituents, therefore voluntary audits with constituents are a positive development.

¹⁸ Norway, New Zealand, Jamaica, Philippines, Kenya and the Arab States.

¹⁹ February-July 2004.

Restatement of technical cooperation projections
and projected allocations of the 2000-01 surplus
in 2004-05 (in US\$)

Gender equality	Estimated extra-budgetary technical cooperation expenditure	Estimated 2000-01 surplus expenditure
Programme and Budget for 2004-05	–	1 400 000
Adjusted as of 31 December 2004	1 882 000	580 000
Change	1 882 000	-820 000

Note: The decrease in estimated 2000-01 surplus expenditure for 2004-05 is a result of reclassification of projects previously foreseen as contributing to the operational objective on gender equality to other operational objectives. An increase in estimated technical cooperation expenditure is noted.

International partnerships

131. The ILO has continued to reinforce effective collaboration with the United Nations system, the donor community, other multilateral institutions and policy-influencing bodies. As a follow-up to the International Labour Conference discussion of the report of the World Commission, the ILO has initiated efforts to foster policy coherence in multilateral institutions through a more proactive engagement with them, to support development initiatives.

Operational objective: International partnerships

Tripartite constituents and ILO partners at the international and regional levels support integrated economic and social policies that promote decent work

Performance indicators	Targets
(a) Conclusions of global conferences and policy statements by United Nations organizations, the Bretton Woods institutions and regional organizations that make explicit reference to integrated economic and social policies that promote decent work	(i) 3 major international policy documents (of the UN, World Bank Development Committee and G8, G77, G15 or OECD) (ii) 2 regional initiatives (with either AU, NEPAD and SADC in Africa, one of several subregional groupings in the Americas, or APEC and SAARC in Asia and the Pacific) express support for decent work policies
(b) Partnerships between ILO constituents and multilateral organizations, donors and civil society organizations, including parliamentarians, and faith-based groups, support the Decent Work Agenda at the international and regional levels, and ensure balanced funding for the ILO's technical cooperation programme	2 partnerships at the international level, and one at the regional level

132. In 2004, the ILO worked with the United Nations system and other multilateral agencies to support the African Union Extraordinary Summit on Employment and Poverty Alleviation. The ILO is raising awareness within the international community on the relationship between MDG strategies on poverty, social conflict and insecurity, and job creation and decent work for all through a fair and inclusive globalization.

- 133.** The ILO supported country-level Global Compact networks developing and testing training materials on the Compact's labour principles. The Director-General took part in the Global Compact Leaders' Summit (June 2004). The ILO collaborated actively with the UNHCR, OHCHR and IOM, and the Geneva Migration Group. A new Memorandum of Understanding was signed with the FAO (September 2004) on the promotion of sustainable agriculture and rural development to reduce hunger and poverty, with particular attention to rural livelihood, decent work and employment creation and follow-up to the report of the World Commission. A joint statement was issued in November 2004 by the ILO Director-General and the UN High Commissioner for Refugees to strengthen the role for the two institutions in promoting shared values in development.
- 134.** The ILO participated actively in several inter-agency bodies: UN Development Group, UN Communications Group, Millennium Project, various MDG task forces and the UN Statistics Division; with the UNDG Technical Working Group on Iraq it signed a Memorandum of Understanding in May 2004. An initial project under the Iraq Trust Fund concerns the organization of an employment conference.

Knowledge and statistics

- 135.** Comprehensive, reliable and up-to-date statistics are essential for formulating policies for decent work, and monitoring countries' progress towards this goal, but data are lacking in many countries. The ILO is seeking to change this situation by providing assistance to constituents to build statistical capacity, particularly in the Africa region, and by developing international guidelines on labour statistics. It is also enhancing its collection and dissemination of country data. The ILO's lead role for labour statistics in the international statistical community is being maintained through active participation in international conferences, meetings and symposia.

Operational objective: Knowledge and statistics

Policies to promote and realize decent work are based on sound information and gender-disaggregated statistics

Performance indicators	Targets
(a) National statistics systems that incorporate gender-disaggregated statistics relevant to decent work as an integral part of the national statistics programme	15 member States
(b) National and international institutions that use ILO information, and gender-disaggregated statistics to design and monitor policies and programmes promoting decent work	Institutions in 20 member States and up to 5 international institutions
(c) Constituents in member States that measure their progress in relation to achieving decent work using gender-disaggregated statistics and statistical indicators	Constituents in 15 member States

- 136.** ILO statistics are more easily accessed through a one-stop labour statistics portal on the ILO web site. The LABORSTA web site has been upgraded and now contains over 300,000 series for over 150 countries. Separate data for women and men are available for two-thirds of the relevant series.
- 137.** Technical assistance for statistical capacity building has been provided to 20 countries in the Africa region, 16 in Latin America and the Caribbean, and six in Asia and Eastern

Europe. A manual on consumer price indices and a training module on labour force statistics have been published, providing constituents with valuable practical guidance.

- 138.** Conceptual and methodological work is being carried out to develop standards and guidelines for statistics on decent work, following the recommendations of the Seventeenth International Conference of Labour Statisticians (2003).
- 139.** Surplus resources have helped to develop decent work indicators. Methods to collect relevant data through labour force surveys are being tested in seven countries, and efforts are being made to collect additional data from existing sources in 28 countries in the Asia and Pacific region.
- 140.** Proposals on improved indicators to measure MDGs, including on gender equality and on youth employment, have been produced, along with regional and global estimates for millennium statistical reports.

Restatement of technical cooperation projections and projected allocations of the 2000-01 surplus in 2004-05 (in US\$)

Knowledge and statistics	Estimated extra-budgetary technical cooperation expenditure	Estimated 2000-01 surplus expenditure
Programme and Budget for 2004-05	–	2 000 000
Adjusted as of 31 December 2004	126 000	1 326 513
Change	126 000	-673 487

Note: The decrease in estimated 2000-01 surplus expenditure for 2004-05 is a result of the early start of some projects, leading to expenditure in 2002-03.

Communication and visibility

- 141.** Investment in field office capacity for media and targeted publicity efforts have produced a marked increase in local and global visibility for the Organization and helped contribute to a large overall increase in references to the ILO. Advocacy and partnerships with broadcast media are improving media coverage to ILO issues. Revamping of the ILO's public web site (effective November 2004) promises improved availability of quality material for communications efforts.

Operational objective: Communication and visibility

ILO proposals and messages shape public opinion and the views of key decision-makers

Performance indicators	Targets
(a) References to and citations of the ILO that appear in the media	References in professional journals, popular media, labour (workers' organizations) media and employer media
(b) Number of downloads from the ILO Internet site	Downloads

- 142.** The following data reflect monitoring of the performance indicators. Between June 2003 and June 2004 the total number of hits on the ILO Internet pages has increased by 5.6 per cent, at over 21.3 million. The total size of Internet pages has increased for the same period

by 24.9 per cent. Again for the same period, press clippings have increased by 256 to 684 in June 2004.

- 143.** Allocation from the 2000-01 surplus is being invested in enhanced regional coordination and improvement of the ILO's core global communication network; an expanded range of media products; enhanced video and TV capacities, media training of ILO officials, and special regional campaigns.

Restatement of technical cooperation projections and projected allocations of the 2000-01 surplus in 2004-05 (in US\$)

Communications and visibility	Estimated extra-budgetary technical cooperation expenditure	Estimated 2000-01 surplus expenditure
Programme and Budget for 2004-05	-	3 450 000
Adjusted as of 31 December 2004	71 000	1 953 652
Change	71 000	-1 496 348

Note: The estimated 2000-01 surplus expenditure for 2004-05 decreased because some projects started early, leading to expenditure in 2002-03.

International Training Centre of the ILO, Turin

- 144.** The Turin Centre's five-year development plan entered its fourth year in 2004. The development of the next five-year plan, starting in 2006, is under way. In 2004, the work to enhance the Centre's contribution to the ILO's strategic objectives through training, learning and capacity building of the ILO constituents has continued. Innovation in the content and methods of its products and services helped the Centre to adjust to changing emphases and priorities in the global, regional, subregional and national decent work agendas, including the social dimension of globalization. Examples of such innovations are:

- expanded training programme for judges, jurists and law professors in international labour standards and fundamental principles and rights at work;
- expansion of the programme on freedom of association;
- training programme on youth employment;
- new features for the business development services programme;
- a growing number of online and face-to-face products in the area of local (economic) development;
- online programme on occupational safety and health for Latin America;
- expansion of the programme on conciliation and mediation to other regions;
- new course of managing public sector reform;
- expanded programme on the use of information technology for trade unions;
- new post-graduate course on cultural projects for development related to economic growth and employment creation.

- 145.** An ILO task force established by the Director-General to “propose measures for a better utilization of the ILO Training Centre’s capacity in ILO programmes and development cooperation activities” completed its report in 2004. The main recommendations were:
- better ILO-wide articulation of capacity development strategies and the role of the Centre in supporting this;
 - improved staff mobility between the Centre and the rest of the ILO;
 - enhanced role of the Centre in delivering ILO staff capacity-building services.
- 146.** These recommendations are currently the subject of internal consultations in order to arrive at concrete measures and results.
- 147.** Further information on the progress of the Centre in 2004 is available in Governing Body documents:
- documents submitted to the 66th Session of the Board of the Centre (Turin, 4-5 November 2004, GB.291/PFA/6/1);
 - report of the 66th Session of the Board of the Centre (GB.291/PFA/6/2).

International Institute for Labour Studies

- 148.** The International Institute for Labour Studies supports the strategic framework of decent work under two major programmes: the Research Programme and the Education and Outreach Programme. In 2004-05 the Institute is pursuing, in addition to its basic objectives, several new initiatives concerning dialogue on policy issues, research, networking with selected academic and research institutions, closer cooperation with the ILO strategic sectors and information dissemination.
- 149.** The Institute’s research programme in the current biennium has three components. The first addresses workers’ rights and a range of economic, developmental and social outcomes; in 2004, research methods are being expanded to include in-depth case studies. The second explores social dialogue, governance and socio-economic performance. The project on global multi-stakeholder networks continues, including examination of how social dialogue arrangements at the national level contribute to successful integration in the international economy. The third area continues previous work on migration, examining how state and non-state actors interlink with state institutions.
- 150.** Achievements of the Institute’s Education and Outreach Programme to date include participation in the Social Partners’ Forum of the African Union Extraordinary Summit on Employment and Poverty Alleviation, an IILS/Cornell University special course on “Workers’ rights as human rights”, several public lectures by leading scholars and former government officials, and policy dialogue meetings. In addition, the Institute is contributing to follow-up of the conclusions and recommendations of the World Commission on the Social Dimension of Globalization, involving consultations and networking activities.

Governance, support and management

- 151.** The Programme and Budget for 2004-05 introduced for the first time results indicators and targets for governance, support and management services. The preliminary steps towards

measuring the indicators are reflected here. This has taken place in a context of unusual pressure on these departments, including a major reorganization (noted earlier), renewed budgetary pressures, developing and implementing IRIS, holding of the Preparatory Technical Maritime Conference, and implementing new security systems.

Operational objective

The ILO makes the best use of its resources to achieve its objectives through improved practice in all aspects of governance, support and management

Progress in implementation

- 152.** A brief comment on progress in implementation is provided for each of the ten indicators set out in the programme and budget. The end-biennium report will, as with other areas, provide a full accounting of results achieved against targets.

Indicator 1: Client satisfaction

- 153.** Development of the first survey has been delayed due to other demands, but is expected to be undertaken in 2005 and to provide a benchmark for subsequent biennia.

Indicator 2: Results-based management

- 154.** Development of the new information system supporting results-based management (IRIS) is under way. A management module was applied as of May 2004 to prepare the Programme and Budget proposals for 2006-07. The Office is well on the way to meeting the target (implementation of major sub-systems by the end of the biennium).

Indicator 3: External audit

- 155.** The Comptroller and Auditor General of the United Kingdom, Sir John Bourn, delivered an unqualified audit opinion on the Financial Report and Audited Financial Statements for the Sixty-eighth Financial Period (2002-03). The report was submitted in June 2004 to the Finance Committee of the International Labour Conference and to the Programme, Financial and Administrative Committee of the Governing Body during its 289bis Session.

Indicator 4: Savings against benchmarks

- 156.** The ILO is continuing to experience a high rate of expenditure on its regular budget. This is a positive development. However, it carries a risk should expenditure deviate from the expected trend. The Office intends to introduce corrective measures to ensure that total expenditure does not exceed the approved budget.

Indicator 5: Human resource development

- 157.** HRD has continued to implement key components of its Human Resources Strategy and to develop associated systems and approaches in line with the recommendations made by the External Auditor.²⁰ The average time to recruit regular budget officials has been reduced to 120 days and the collective agreement on recruitment and selection is being renegotiated

²⁰ A review of the implementation of the ILO's Human Resources Strategy – Report by the External Auditor (GB.286/PFA/14).

with the Staff Union. The Office remains committed to increasing the number and percentage of women occupying senior-level posts and is beginning to carry out succession planning in relation to vacant posts by identifying suitable external candidates and internal staff. The Office and Staff Union have also revised the two collective agreements on work-related grievances and harassment into a consolidated agreement and are continuing to work together to develop a workplace capable of resolving conflicts and other work-related problems. An updated Human Resources Strategy is being prepared for submission to the March 2005 session of the Governing Body.

Indicator 6: Technical cooperation quality

158. In 2004 all technical cooperation projects approved under partnership agreements have been systematically assessed. An ongoing appraisal mechanism for all projects is being developed and will be progressively put in place, by which technical units and the relevant field offices will assess most projects. The target for 2004-05 is 50 per cent of all project proposals. Field offices will assess projects in respect of relevance to the country concerned and contribution to the promotion of decent work.

Indicator 7: IT services

159. The ILO is meeting the target of 99 per cent availability for its headquarters network and central services. The development of the Internet connectivity infrastructure continues with increased use of secure areas outside the ILO network for ILO's Web servers, at the same time improving access to ILO information for constituents and the public. The Wide Area Network project has entered its first phase with the deployment of a secure private network connecting three offices in Africa directly with headquarters. The Electronic Document Management System is progressing through the early stages of the prototype, and is on schedule to deliver first products in 2005.

Indicator 8: Documents and meetings

160. Whilst some difficulties are still being experienced in the timely completion of documents in all seven official languages (target 1: Governing Body documents to be in the hands of members no later than 15 days before they are to be discussed), a marked improvement has been achieved in comparison to past performance. In March 2004 seven papers were late in all languages with information notes submitted explaining the reason. In November 2004 this was reduced to three papers.

161. In total 14 major reports were produced for the 2004 International Labour Conference and the Preparatory Maritime Conference. In the case of a meeting on fishing, the Standing Orders did not apply owing to a late decision of the Governing Body to proceed. In respect of the rest, three documents were released earlier than required, six were released on the date required and four were late by between one and four weeks. The causes of lateness varied; some required the inclusion of the latest information, others due to identified shortcomings in the process (target 2: ILC and Regional Meeting documents to be with delegations within the time requirements specified in the Standing Orders).

162. In respect of target 3 (documents for sectoral and/or technical meetings to be with participants no later than one month before the meeting), this was met in all cases during 2004.

163. In addition, enhanced servicing of Government groups in ILO meetings has been provided in consultation with the Officers and regional coordinators.

164. Progress towards streamlining document production processing, planning and productivity enhancement continues. Gaining the understanding and acceptance of all persons in the process, from authorship through to final distribution, as to their respective responsibilities is key to further improvement. The necessary cost-benefit analysis concerning potential investment in support technology in translation tools and continuous-feed printing is being undertaken. However the progressive reduction in financial resources has outstripped ability to introduce balancing productivity gains. Clear prioritization of production requirements has become a necessity if budget envelopes are to be respected.

Indicator 9: Legal services

165. The survey to establish a baseline has been delayed. However, feedback from services and departments relying extensively on legal advice shows that legal services provided are perceived as sound and timely.

166. A marked improvement of the average time required for the delivery of the legal advice has been possible, in particular through greater use of legal databases.

167. This was achieved notwithstanding a sizeable increase in demand for legal advice, comparing 2004 with 2003. By itself, this shows an accrued appreciation of the services delivered.

Indicator 10: Knowledge management

168. In 2004 DCOMM/INFORM launched a project to further develop LABORDOC as a central knowledge resource for ILO officials and constituents and, simultaneously, promote common information management methods and a more cost-efficient approach to managing information in the ILO. Following the success of a pilot project with the Regional Office for Asia and the Pacific, the project has been extended to ILO offices in Europe.

Restatement of projected allocations of the 2000-01 surplus in 2004-05 (in US\$)

Governance support and management	Estimated 2000-01 surplus expenditure
Programme and Budget for 2004-05	(Management capacity and security) 3 600 000
Adjusted as of 31 December 2004	5 012 219

Note: The estimated 2000-01 surplus expenditure increased due to funds not expended in 2002-03. This table does not include US\$3,350,000 contributed to the Information Technology Fund and US\$1,842,500 contributed to the Building and Accommodation Fund in 2002-03.

Geneva, 21 January 2005.

Submitted for discussion.