

**FOR INFORMATION**

SEVENTH ITEM ON THE AGENDA

**International Training Centre
of the ILO, Turin****Report on the 70th Session
of the Board of the Centre
(Turin, 6–7 November 2008)**

1. *The Chairperson, Ms Patricia O'Donovan*, in the name of the Director-General and Chair of the Board of the Centre, Mr Somavia, who was unfortunately unable to be present due to long-standing engagements, welcomed the members of the Board, especially those who were participating for the first time, and the new External Auditors. She congratulated Mr Renique and Mr Sidi Saïd on their re-election as Employer and Worker Vice-Chairpersons, and Ms Fitting, the representative of the Government of Germany, on her election as the Government group's spokesperson. She extended the warmest thanks of the Chair of the Board to the Italian authorities, to the City of Turin and to the Piedmont Region for their consistent essential support of the Centre's activities.

**I. Director's report on the activities
of the Centre in 2007–08 and
perspectives for 2009
(First item on the agenda)**

2. *The Chairperson* invited the representatives of the City of Turin and of the Piedmont Region to speak.
3. *The representative of the City of Turin, Mr Dell'Utri*, greeted all the members of the Board. He stressed the City of Turin's interest in pursuing the strategy of being open and informative towards its citizens, which the Centre had followed over the past year and which had led to a number of wide-ranging meetings with the people of Turin. That strategy helped to give the Centre roots in the local environment and to confer international status on Turin. He was delighted that each of the 12,000 participants, representing 190 countries, who passed through the Centre each year became an ambassador of the city to the world. He confirmed that the City of Turin intended to maintain its commitments concerning both routine maintenance works at the Centre and extraordinary measures.

Finally, he welcomed the visit by the Secretary-General of the United Nations, Mr Ban Ki-moon, which had given the city global visibility.

4. *The representative of the Piedmont Region, Ms Marcon*, greeted the members of the Board in the name of the President of the region, Ms Bresso, who could not be present because of her institutional commitments. The region wished to support the Centre and its activities. An example of that support was infrastructure renovation, in spite of financial difficulties. In 2008, there had been a notable exchange of information between the Piedmont Region and the Turin Centre concerning promotion and cooperation for a joint partnership. Decent work was fundamental for the region, because it was a means of conveying social values not only in words but also through facts.
5. *The Director of the Centre, Mr Eyraud*, welcomed the chance the Board offered to gather comments and suggestions by its members regarding the work of the Centre. It enabled the Centre always to move forward and to become ever closer to the concerns of its constituents. He said that after repeated requests by members of the Board in previous years, a big effort had been made this year to get the Board documents out earlier. The documents had indeed been available from the end of September. The Director turned to performance in the year 2007, during which the Centre had trained over 12,000 participants, from 190 countries. That dynamism was again manifest in 2008, with an increased number of proposed training activities. In addition, a number of high-level events had been held, and had enhanced the prestige and the international renown of the Centre. These had included a *High-level tripartite dialogue on the European social model in the context of globalization*, the *14th Boulder microfinance training programme*, the *ILO summer academy on sustainable enterprise development* and the first *Interagency conference on local economic development*. The Director noted the ever-closer collaboration with the ILO's technical sectors, citing especially the IPEC programme, the Enterprise department, the Social Protection Sector, the Workers' programme and the Employers' programme. As regards regional programmes, there had been noteworthy growth in the number of activities in all the regions in 2008. In the wake of remarks by the Board in previous years, a special effort had been made for the Africa region. The Centre had appointed focal points in all the regional offices in Africa to promote its activities. The Centre had strengthened its links with the ILO's Human Resources Development Department by participating in the funding of a post for a collaborator entrusted with producing specific training programmes for headquarters and field staff. As regards tripartism, the Director highlighted the continuing increase in participation by the social partners in 2007 and 2008. He hoped that people would think about how to make that trend permanent, given the great value that tripartism added to the Centre's activities. The Centre was also developing its own training and learning project. It thus intended to strengthen its courses by institutionalizing a three-phase structure: a preparatory distance phase, a residential phase and a follow-up phase. The methodology would be adapted so as to strike a better balance between conveying knowledge and sharing knowledge. This would recognize and capitalize on the expertise and the experience of participants. Courses would also become more multidisciplinary. Moreover, training-of-trainer modules would be systematically integrated into courses in order to enable and encourage the spread of learning. Concerning future activities, obtaining new funding and support would give rise to programmes on international migration, on the rights of indigenous peoples, on corporate social responsibility and on the effects of climate change on employment. The Centre was pursuing donor diversification by developing partnerships for multi-year projects. This was the case with Spain and Portugal. Projects with the European Commission were also being developed. The Centre would also be more present and more active within international training institute networks. Finally, the Director thanked the Piedmont Region and the San Paolo Foundation, whose financial support would allow the Centre to create a top-quality conference centre.

6. *The Employer Vice-Chairperson, Mr Renique*, thanked the Director and the delegates who were present, and regretted that Mr Somavia was absent. He congratulated the Director on his report, which was an improvement. He pointed out, nevertheless, that the document lacked a strategic vision of the Centre's development over the next three years. He particularly regretted the lack of a strategy to strengthen the role of the constituents. It would be good if the Centre were to take part in the ILO's strategic discussions regarding 2010–15 and in the discussion on the SILC report. Turning to the current financial crisis, the Employer Vice-Chairperson stressed the need to devise a strategy for funding the Centre that included the diversification of sponsors. He noted with pleasure the future strengthening of cooperation between the Centre and other United Nations agencies. Although he appreciated the existence of the Central Fund, he deplored the low rate of participation by employer representatives in activities run by the Centre's subject-oriented programmes. The Employers' group had discussed a possible reorientation of the use of the Central Fund to create conditions that would improve employer participation and mean a more effective use of the Central Fund. He welcomed the reform that had created the Programme Development and Regional Cooperation Service and the goal of closer cooperation with the regions, especially the Africa region, and insisted on the importance of such cooperation for the future. He was pleased with the creation of the new Programme on the Social Dimension of Trade and Investment, which brought with it new and interesting perspectives. He noted with surprise that no training was scheduled for 2009 on dealing with HIV/AIDS in the workplace, even though there was heavy demand for such training. Finally, he appreciated that the subject of migration was dealt with from a normative perspective, as well as from an employment and labour market perspective.
7. *The Worker Vice-Chairperson, Mr Sidi Saïd*, welcomed the presence of Ms O'Donovan chairing the Board, and hoped that in future the Director-General would show the Centre his full attention by chairing the sessions of the Board. He insisted on the privileged role of the Centre, the training arm of the ILO, within a coherent strategy for building up the capacity of ILO constituents and in disseminating ILO standards and principles and the Decent Work Agenda. He went on to point out that the ILO Declaration on Social Justice for a Fair Globalization and the recommendation by the Programme, Financial and Administrative (PFA) Committee in November 2007 should have a positive impact on the activity of the Centre. To achieve those objectives and to strengthen its role, deep and effective integration was needed between Turin and headquarters in terms of strategy, finance and human resources. The Workers' group welcomed the steps taken by the Centre to improve its integration with the ILO, as described in the Director's report, but regretted that the ILO's Strategic Framework for 2010–15 did not reflect the integration between the Centre and Geneva. He proposed that every step to mobilize more resources for the Centre should produce outcomes directly linked to the decent work strategic objectives and to constituents' capacities as set out in their programmes. He noted with appreciation the increased number of activities and participants in 2007. The Worker Vice-Chairperson then expressed his concern at the fall in participants in distance education. He stressed that research on, and support for, information technology and distance education was a qualitative indicator of the Centre's work. Regarding the participants' profile, only 26 per cent were considered as worker or employer representatives, whereas 74 per cent were labelled "other participants". He thought that the report described the Centre's target groups in a superficial manner. He asked that the report henceforth provide more details, such as qualitative data on the training portfolio and its match with ILO priorities and the Decent Work Agenda, as well as more precise information on the profiles of participants and their specific professional profiles. The Workers' group believed that the Centre should produce solid data on participants and incorporate such data into its management information system. A detailed picture of the different target groups would help the Centre better to implement or follow up impact evaluation policies and to establish networks better. The Centre had linked its programme to the priorities of the Decent Work Agenda and the ILO's four strategic objectives, as the Workers' group had suggested in previous

years. Although it welcomed that new approach, the Workers' group still considered that all the Centre's courses should be embedded in the Decent Work Agenda. Using the Decent Work Agenda and the recent ILO Declaration on Social Justice for a Fair Globalization as a framework would help the Centre to refocus more of its training activities on the Decent Work Agenda and to reduce the imbalance among sectors. In 2007, only 44 training activities out of 466 had mentioned international labour standards, which was insufficient. ILO Conventions should be disseminated in training courses. Its Standards programme, in collaboration with ACTRAV and ACT/EMP, should thus be mandated to get the whole set of international labour standards promoted in all the Centre's courses. As regards bipartite and tripartite participation, there should be a way to measure its quantitative and qualitative relevance. The Worker Vice-Chairperson noted that table 4 in the chapter on tripartism had mixed "bi-tripartite activities" with "other training activities", and asked that the next Director's report present tables with detailed data on bipartite and tripartite activities held by each Technical Programme, stating clearly the percentages of worker and employer participants. The group noted that over 90 per cent of the rise in participation by employer and worker representatives in 2007 had been attributable to activities run by ACTRAV and ACT/EMP. The involvement of the social partners in the activities should be improved by making better use of the social partner support mechanism. More flexibility was needed, in order to take advantage of that facility to cover the cost of participation by workers in other open courses without using its resources to finance or co-finance activities of the Workers' programme or of the Employers' programme directly. He thought that effective tripartism meant not only workers and employers attending courses but also their participation in designing and holding activities. His group noted with concern that some Technical Programmes, like Enterprise Development, DelNet and Sustainable Development and Governance, did not involve workers. He condemned the trend of not recognizing the important role which workers' organizations could play in economic and social development. The Worker Vice-Chairperson asked that a joint management training committee, with both worker and employer representatives, be set up to devise strategies for the Centre on bipartite activities, tripartite activities and better use of the resources of the social partners facility. He noted with some concern that the Centre intended to continue running programmes in conjunction with the World Bank. That concern related directly to the World Bank's recent reports on "Doing Business", in which it had stated that unions and international labour standards were impediments to national development. Any programme involving the World Bank would therefore need to integrate the standards. He wanted further details of that joint venture and further discussion of the programme on "green jobs". He would like to see the continued involvement of the Turin Programme for Workers' Activities in designing and running that particular programme. He recommended that no unit of the Centre should run courses on issues on which there was no tripartite consensus within the ILO. He wondered whether the Centre's courses on microfinance were social in nature and in accordance with the 2005 ILO policy statement: Microfinance for decent work. The Workers' group welcomed action taken to promote gender equality, but more effort was needed to integrate gender issues into every training activity and each Technical Programme, in particular in Africa and the Arab countries. He also asked the management of the Centre to secure approval by the secretariat of the Workers' group of the trade union organizations invited to send participants to training activities before accepting or enrolling any worker candidate. That procedure was the only one which guaranteed equal access to the Centre's activities by all representative and legitimate workers' organizations. He thought that the Centre's new operational structure was too recent to be evaluated, but that it would need an in-depth appraisal of its effectiveness and its responsiveness to ILO constituents' needs. He stressed that regional or national priorities should not be used to set conditions or to dictate priorities to the Programme for Workers' Activities. Concerning the Centre's capacity to respond to calls for tender, the Workers' group wanted a full list of projects won and the impact of those projects on workers' organizations to be sent to ACTRAV. Participants' life and work experience should be recognized as criteria for

admission to the programme of post-university courses to enable workers to participate. Concerning the project on corporate social responsibility, he stressed the need for a strong tripartite focus based on the guidelines set by the Governing Body's Subcommittee on Multinational Enterprises and for the Workers' Activities Programme to be fully involved. As to the policy of outsourcing, it was necessary to reverse the fragmentation of services, the quality of which had fallen although, for the most part, prices had not decreased. However, the Workers' group remained opposed to the creation of a new management post aimed at resolving this issue.

8. *The spokesperson of the Government group, Ms Fitting*, thanked the Chairperson, and thanked the Director for his detailed report, which had provided very clear information. The Centre had made significant efforts which had yielded evident results. She stressed that the relationship between the ILO and the Centre needed to be strengthened concerning the content and results of activities, strategic planning and the delivery of the Decent Work Agenda. It was imperative that the Centre be involved in new developments at the ILO, which had everything to gain thereby. She reiterated her group's wish for full information on the impact of possibly changing the date of the Board meeting from November to March. She thought that such a change would allow the members to discuss matters in greater depth and with more impact for the future development of the ITC. She asked the Director to produce a document on the advantages and drawbacks of such a change. She then stressed the need for more information on the profile of participants in training activities. There were significant divergences among the profiles, and it was important to understand the underlying reasons and take steps to deal with them. Finally, she appreciated what the Centre had done to ensure good communication with the Board, but asked to keep on to optimize it.

9. *The representative of the Government of Italy* thanked the Centre for its welcome and, in particular, the Director and his team for the quality of the Director's report on the activities of the Centre in 2007–08 and perspectives for 2009, which was both relevant and effective. The Italian Government was delighted with the very positive results of the Centre's activity, such as the rise in the number of courses on offer, the higher proportion of worker and employer participants, the improved course quality and greater participation by women, although this last was still not enough. Those results confirmed that Italy's support for the Centre was well founded. The fact that around 80 per cent of the training activities were in keeping with ILO strategic priorities should allow the Centre to be better integrated into the ILO and to have access to more resources. However, that integration, although crucial, had not lived up to the expectations and requests of Italy. The alignment of the Centre's products and services with the ILO programme and budget framework for 2008–09, which had entailed a remarkable effort by the Centre, had not led to a comparable effort and will on the part of the ILO. She therefore appealed to the ILO, and to PARDEV in particular, to make a bigger effort. The Centre was not always integrated into the resource mobilization strategy, and there was a risk that this would put it in a difficult situation, without predictable, stable resources. The Centre had to have access to the donors and the resources of the Regular Budget Supplementary Account (RBSA). Italy contributed to the RBSA and therefore expected the Centre to have access to those resources. Italy would thus continue to support the Centre's work, but a consequence of the current economic situation would be a cut, the size of which was still to be determined, in its voluntary contribution. That did not imply a negative evaluation of the importance that the ILO and the Centre had for Italy. Furthermore, the amount of the fixed contribution to the Centre would remain unchanged at around €7,850,000. In times of crisis, priorities changed, and the limited resources of the Government would go mainly on water, the food emergency, education for all and major pandemics. The representative of the Government of Italy encouraged other governments to join her country in funding the Centre from 2009 onwards.

10. *The representative of the Government of Brazil* noted with satisfaction the increase in participants from Latin America in courses on local development and competency-based training. She pointed out the importance of activities on social development and the fact that the presence of women was on the rise. She deemed South–South cooperation indispensable, above all in terms of the Decent Work Agenda and the fight against all forms of child labour and forced labour. She insisted on the need for the Centre to devise programmes on subregional integration and to promote all the initiatives on behalf of MERCOSUR and UNASUR, since the two organizations already had working parties and special programmes on social issues.
11. *The representative of the Government of Spain* congratulated the Director on the fact that the Centre was functioning well. He had noted an improvement in its organization, training techniques and services on offer. He noted that the evaluations of the Centre made by the participants showed a very high level of satisfaction. He also congratulated the Centre on the rise in the total number of participants. However, he wondered why the proportion of employer representatives among the participants was so low, and he insisted that employers had training needs that were as significant as those of workers. The Spanish representative also thought that the topic of international migration should be better covered and brought into other strategic training subjects. He added that developing entrepreneurship among young people was also very important for job creation, a key factor in such times of crisis. Although the Centre did not offer actual technical training, it would be worth holding courses on the need for training, because few people, especially employers, were convinced of that need. The Spanish representative went on to explain that governments had trouble planning their contributions for more than a year ahead, and therefore committing themselves to an exact amount of funds. Accordingly, even though the Centre needed to predict the amount of its resources, it had to allow governments more flexibility, and give them, for example, the possibility of committing themselves not to a period of time but to specific training projects. Thus, the Spanish Government might support courses on migration and social dialogue. Indeed, the latter subject was particularly important for dealing with the crisis and unemployment of today.
12. *The representative of the Government of Kenya* gave a favourable reception to the document submitted to the Board, which presented information on the Centre’s activities in 2007 and 2008, and on those planned for 2009, in a transparent manner. It was in line with the Declaration on Social Justice for a Fair Globalization, especially the aspects of governance, information-sharing and responsibility. He congratulated the Centre on its efforts to ensure sustainability, the relevance of its programmes and its operational integration with the ILO. He highlighted the importance of seeking a better financial strategy and of strengthening its technical and training skills. He was very happy with the efforts made by the Centre to strike a balance between men and women participants. The representative of the Government of Kenya insisted on the need to award full fellowships or at least ones which covered expenses other than transport, so as to boost the potential number of African participants. Turning to programme implementation, he welcomed the creation of the Programme Development and Regional Cooperation Service, even though he stressed the continued need to enhance the ability of the technical teams to generate new projects, mobilize funds and maintain relations with donors. He highlighted the urgent need to make postgraduate programmes more flexible in order to promote maximum participation, especially by representatives of ministries or of employers’ organizations, whose limited human resources made it impossible for them to free specialists for long periods to undertake training. Lastly, he stressed the need to create or to strengthen partnerships between the Centre and advanced training institutes in the field, in order to facilitate more modular forms of training.
13. *The representative of the Government of France* welcomed the increase in activities and participant numbers, notably the number of social partner representatives, in 2007. She

stressed that the Centre's added value derived from its offering training that was diversified and tailored to the needs of constituents. It was therefore imperative to evaluate participant needs and training impact well. She underlined the importance of training for professional groups such as magistrates and trainers. The French representative regretted the lack of statistics on the different categories of participants, citing magistrates, journalists and parliamentarians. She noted with interest certain structural developments, especially the creation of a new programme on the social dimension of trade and investment. She pointed out that France supported the Centre in a variety of ways, and mentioned cooperation with the World Bank by regional groupings such as the SADC, CEMAC and the Boulder Institute of Microfinance. Concerning the Centre's operational integration into the ILO, the representative of the Government of France thought that the ILO should allocate more resources to the Centre, as suggested in the report by the Working Party on the funding of the Centre. She called for greater cooperation between the Centre and the ILO, particularly its regional offices. She highlighted the importance of boosting participation by social partner representatives in training and of cooperating more with the ILO Bureaux for Employers' Activities and for Workers' Activities. Lastly, she deemed it indispensable to continue with the task of integrating international labour standards into the work of the Technical Programmes.

14. *The representative of the Government of South Africa* expressed appreciation of the constant support given by the Italian Government, the Piedmont Region and the City of Turin. He noted that paragraph 5 of the External Auditor's report indicated a problem. It would be more efficient to hold the Board meeting in March, so it could examine all the measures taken during the previous year, including those to implement the External Auditor's recommendations. He raised a second point relating to the planning of work for the following year and the fact that the catalogue of regular courses for 2009 was already available, even though the Board members had not had any opportunity to express their opinion. He was amazed that no activity on the topic of HIV/AIDS had been planned for 2008 and that the information about employers, as also expressed by them, was incomplete. He regretted that the documents had arrived too late. Furthermore, he asked for more detailed information on the participants in the courses.
15. *Mr Adyanthaya (Worker, India)* found it strange, to say the least, that workers' rights and international labour standards had not been included by the ILO in the list of priorities for the Asia-Pacific region. And yet this was the region most affected by violations of trade-union rights, child labour and forced labour, and the region where the ratification of international regulations was most deficient. He therefore considered it important that the Turin Centre increase the number of its courses on those topics and undertake awareness raising and training work for tripartite audiences. He stressed the importance of gender issues. He also emphasized that another issue, climate change, should be covered. In the Asia-Pacific region, millions of the most vulnerable people had lost their homes and means of livelihood as a result of events connected with climate change. He thought that the courses offered by the Centre should take those issues into account and have a positive impact on regions in difficulty. The fact that millions of workers were in danger of losing their jobs was a reason to do more in terms of skills development, retraining and innovative activities. It was particularly worrying that those job losses were occurring in developing countries.
16. *The representative of the Government of El Salvador* congratulated the Director on his report and expressed satisfaction at the levels of activity and participation achieved in 2008. He recognized the importance of distance learning courses, but insisted on the need to strike a balance with residential courses. He would like to see a focal point designated for Latin America and the Caribbean, which would make it possible to pay greater attention to the region least represented in Centre activities.

17. *The representative of the Government of Mozambique* stressed that the Centre was responding to the challenges of the twenty-first century. The financial crisis was directly affecting employers and workers, particularly in developing countries. The Mozambique Government therefore invited the Centre to continue to provide adequate training opportunities to make it possible to face persistent crises, such as HIV/AIDS and natural catastrophes. He also stressed the fact that the documents should arrive earlier.
18. *Mr M'Kaissi (Employer, Tunisia)* agreed with the preceding speakers and noted that the Director's report was a fully detailed document covering all the Centre's activities, particularly in Africa. He stressed that in the new global economic context, training, advanced training and the transfer of knowledge should be seen as essential intellectual and professional capital for employers' organizations, making it possible to manage, advise and support enterprises and ensure good governance, while encouraging investment and the creation of productive jobs. The training of a new generation of senior managers had become essential to ensure the competitiveness of enterprises in Tunisia. He invited the Centre to consider giving an important place in its programmes to business culture and enterprise, to inculcate the need for social dialogue and tripartite cooperation in order to ensure the durability of enterprises and productive jobs, in tandem with economic stability and social harmony. Closer cooperation between the Centre, ACT/EMP and the International Organisation of Employers (IOE) was desirable in order to achieve a better understanding of the problems affecting his country and respond effectively to the needs of Tunisian employers.
19. *The representative of the Government of the Bolivarian Republic of Venezuela* noted the Centre's efforts to maintain a vast range of services in response to the needs of the social partners. However, he pointed out that in 2007 the social partners had represented only 26 per cent of the beneficiaries of the Centre's services. It would be useful to know the profile of the majority of participants (74 per cent) with a view to strengthening the Centre's services and development strategies. The Government of the Bolivarian Republic of Venezuela intended to contribute to the growth of the Centre, so that it could play a more important role for the social partners by promoting decent work.
20. *The Chairperson* thanked all the speakers and invited the Director of the Centre to respond to their questions and requests.
21. *The Director* took due note of the requests for statistical information made by several members. Concerning the Centre's strategic vision, he reminded the Board that the Development Plan had devoted some lines to it. Moreover, the chapter on "Capacity Building" in the Strategic Policy Framework, which the Governing Body of the ILO would discuss the following week, had been written by Turin. Nevertheless, he agreed that it called for specific thought and he welcomed the Employers' proposal for a long-term strategic plan, even though the uncertainty of its resources had to be taken into consideration. On more specific items, it was true that the current training programme did not include the fight against HIV/AIDS, but a first course on it would take place in 2008. Several comments had been made concerning graph C, relating to the distribution of beneficiaries by strategic objective in 2007. This graph showed that the Decent Work Agenda continued to be the foundation and guiding principle of the Centre's programme. The distribution was, moreover, similar to that of the ILO's technical cooperation activities. The under-representation of other strategic objectives, including labour standards, was only apparent. It did not take into account the inclusion of elements of them in other activities. The Director stated that a report on tripartite participation in Centre courses would be prepared. The question of gender was in principle always a cross-cutting issue covered in courses, even though further efforts had to be made. As regards the remark by the Workers' group on the selection of participants for the master's courses co-organized by the Centre, the Director reminded the Board that it was made in line with the

admission criteria laid down by the University of Turin, which awarded university qualifications in accordance with the European standards. Concerning the recent problems in organizing the provision of services, the Director explained that subcontracting by issuing invitations to tender was a statutory necessity. He made it clear that the service providers were chosen not only on the basis of financial criteria, but above all on that of quality/price ratio, and that when new contractors were chosen, it was necessary to give them a little time before evaluating them.

22. *The Director of Training Programmes, Mr Graziosi*, thanked the Government of Spain for its renewed support. Returning to the many questions raised about the profile of participants, he stated that this profile was now registered in a software application and that preliminary details would be available in the year ahead. The 74 per cent of participants not representing the social partners consisted essentially of government officials, magistrates, journalists and parliamentarians. He announced that the Centre would establish criteria for the development of new courses, the results of which would be evident from 2009. On the issue of HIV/AIDS-related activities, he replied that a programme had been held in English and in French in 2008. A pilot course on international migration had been successfully held in 2007, and had therefore been repeated in a bilingual version in 2008. In 2009, a pilot programme on migration would be set up in conjunction with the Employment and Skills Development and Social Protection Programmes, which would allow for greater specialization. Concerning regional training programmes, the Centre had taken part in the discussions over the distribution of RBSA funds, but was concerned by the fact that those funds were linked to the two-yearly budget and therefore must absolutely be spent before the end of 2009. In response to the question about the increase in numbers participating in distance learning programmes, the Director of Training Programmes explained that the whole point of those programmes was to reach a wider audience. Moreover, the increased number of blended courses during the year explained the high participation in distance learning. In response to the question about collaboration with the World Bank, the Director of Training Programmes said he was aware of the difficulties this raised, but insisted that cooperation with the international monetary institutions was in keeping with the goal of greater political consistency and was intended above all to strengthen the vision of the ILO. The strategy was very much to influence the World Bank, not the other way round.
23. *The Worker Vice-Chairperson* reminded the meeting of the reluctance of the World Bank to work with trade union organizations and promote international labour standards, and called on the Centre to ensure that those standards were complied with.
24. *The Board* took note of document CC70/1 and the documents accompanying it.

II. Staff questions (Third item on the agenda)

25. *The Director* returned to the important aspects of the third item. Firstly, concerning staff mobility between the ILO and the Centre, he pointed out that it was in fact two-way. He highlighted both its strengthening of relations between the technical units and the attractiveness of the Centre. Secondly, he highlighted the fact that the grade point level had remained stable despite a number of promotions. This had made it possible to contain salary costs, either by not renewing appointments, or by recruiting at a lower grade. Thirdly, a big effort was being made to boost the teaching skills of Centre personnel as a result of cooperation between the Human Resources Services and the Distance Education and Learning Technology Applications Programme (DELTA). Fourthly, concerning revision of the Centre's contractual arrangements, the situation had been analysed and the management was ready to start discussions with the Staff Union before the end of the year.

Finally, the Director drew attention to the point calling for a decision, which concerned the adoption by the Centre of amendments to the Staff Regulations.

26. *The Worker Vice-Chairperson* noted with concern that some officials had been employed under casual contracts relating to training projects since 1994. The Workers' group hoped that the review of contractual arrangements announced by the Centre would lead to a reduction in this phenomenon. He deemed it vital that, over and above financial considerations, the Centre be regarded as a model employer providing decent working conditions for its staff. He pointed out that any change in the contractual arrangements of the Turin-based staff must be negotiated with the Staff Union and be subject to in-depth discussion by the Board. He insisted on the need for the Centre to develop a succession plan for the officials around retirement age. This plan should indicate expected arrivals and departures over the coming decade, identify areas for action, and continue to rationalize the services the Centre needed. It should be devised and developed in consultation with the Staff Union, and be discussed by the Board. The Worker Vice-Chairperson deplored the fact that no senior management post at the Centre was held by a woman, and that there were few women in P5 posts. He asked the Centre's management to increase the number of women in higher and senior management posts. He regretted that the staff integration between the Centre and Geneva was not a central topic of the document. He stated that the Workers' group had already formulated several proposals on the matter, for example that the salaries of heads of regional and technical programmes should be paid directly from Geneva, which would reduce the Centre's fixed costs without giving rise to additional expenditure for the ILO, nor – given the few persons involved – problems relating to nationality. The Worker Vice-Chairperson, having taken note of the draft amendments to the Staff Regulations, approved on behalf of his group the point calling for a decision in paragraph 6.
27. *The Employer Vice-Chairperson* pointed out that it was necessary to have both fixed-term contracts and contracts which met specific needs, and therefore a degree of flexibility must be accepted. The parties concerned needed to seek agreement. He pointed out that staff mobility was closely linked to cooperation between the ILO and the Centre. On behalf of the Employers' group, he asked the Director to produce a document describing the efforts made to convert short-term contracts into intrinsically more stable project-based contracts.
28. *The spokesperson of the Government group* emphasized that the issue of equality between men and women should be taken more seriously, as there was a flagrant gender imbalance. She drew attention to the fact that the average age of employees in the Professional category was higher than that of employees in the General Service category, and requested further information. Moreover, she asked for more explanations about the imbalances in the geographical origins of the staff. She requested more detailed information on paragraph 3 concerning terminations of service by mutual consent and resignations. She thought it preferable that cooperation between the ILO and the Centre be structural rather than spontaneous especially in the field of staff mobility. She said that her group would support the point calling for a decision.
29. *The Director of the Centre* admitted that effectively there was not yet any structured collaboration with headquarters, but noted with satisfaction that exchanges had been made on the basis of competitions won and underlined the quality of the persons who had won them. For its part, the number of persons coming from the field and from Geneva confirmed the attractiveness of the Centre. Where casual contracts were concerned, the situation was now ripe for cooperation with the Staff Union of the Centre on finding a solution agreeable to all which took account of the financial constraints. In response to concerns about the gender issue, the Director confessed that he was aware of the problem and said he would make every effort to remedy the situation. As regards the average age difference between General Service and Professional category staff, he pointed out that the

difference was only two years, very similar to the situation at the ILO. In response to the requests for clarification of the reasons for retirements and resignations, he stated that it was variations in the exchange rate of the dollar that had made some people decide to leave before the dollar, and therefore their pension, lost too much value. Geographical distribution, too, was another concern in recruitment. However, the fact that, on the one hand, few new appointments were being made and, on the other, very specific qualifications were needed, complicated the situation and militated against rapid improvement.

30. *The representative of the Government of South Africa* hoped that the reasons why some individuals had resigned or asked to take early retirement would be clarified, to ensure that such decisions had not been prejudicial to the persons concerned.
31. *The Director* repeated the reasons for those resignations, citing exchange rate fluctuations as the main factor. Where terminations of service by mutual consent were concerned, he confirmed that the requests had come from the persons concerned and that he had subsequently decided not to make fresh appointments for reasons of economy.
32. *Ms Diallo (Worker, Guinea)* wished to look again at the issue of the under-representation of women in decision-making posts. She asked whether it was impossible to find women competent to occupy those positions.
33. *The Director* replied that the imbalance was due to a lack of available posts, not a lack of skills on the part of potential candidates. Decision-making posts were few in number, but a woman had been appointed shortly before at P5 grade.
34. *The Chairperson*, following the normal procedure, invited the representative of the Staff Union Committee to make a statement, which is appended to this document.
35. *The Board* took note of document CC70/3 and approved point 6 of the said document.

III. Reports of the Trade Union Training Committee and the Employers' Training Committee (Fourth item on the agenda)

36. *The Employer Vice-Chairperson* paid homage to the Programme for Employers' Activities, run by Mr De Koster, for the work accomplished, in particular for the effort made to develop a full portfolio of courses comprising standard courses for employers' organizations, in-depth courses, courses geared to the acquisition of cross-cutting skills, and courses focusing on policies in which employers' organizations were involved. He thought it worth mentioning the ongoing analysis and monitoring of training needs in conjunction with the IOE and the ILO's Bureau for Employers' Activities. He insisted that continuing investment was needed to ensure the development of the Programme for Employers' Activities. He recalled that one of the points discussed at the group's meeting in May 2008 had been the need to strengthen the participation of employers' representatives in the activities of technical programmes. He insisted on the fact that the Employers' group saw a reorientation of the Central Fund as essential if it was to play its role fully and effectively in that respect. The group had formulated precise proposals for remedying the existing problems. Finally, he thanked the management of the Centre for its excellent cooperation and stressed that this was in the interest of both parties, because a high level of participation by employers' representatives in the Employers' and other

Programmes strengthened the Centre as a whole and made its tripartite character more visible.

37. *The Worker Vice-Chairperson* took due note of the report. He welcomed Mr Giacomo Barbieri, recently appointed to head the Turin Programme for Workers' Activities. He stressed the importance of education for trades unions and welcomed the efforts made by the programme to achieve a lasting improvement in training activities. He pointed out that the symposium on workers' education organized by the programme in 2007 had adopted conclusions which might well be useful to the Centre as a whole. He thanked the staff of the Turin Programme for Workers' Activities for the work they had performed over the previous 12 months. He also thanked the Italian Government for the financial support it had given the Turin Programme for Workers' Activities and hoped it would continue to do so.
38. *The Director* insisted on the added value contributed by the Employers' and Workers' Activities Programmes, seeing in them an example of the structural work performed in conjunction with Geneva.
39. *The Board* took note of document CC70/4.

IV. Report on the implementation of the programme and budget for the current financial year (2008), and Programme and Budget proposals for the 2009 financial year (Second item on the agenda)

40. *The Director* set out to present the main lines of the budget proposal for 2009. He announced that he was expecting the 2008 budget to balance. He then explained the 2009 budget proposal. Where voluntary contributions, which made up the regular budget, were concerned – even though their regularity was not guaranteed – he was expecting the ILO to contribute an amount equal to that received in 2008. However, since this amount was fixed in dollars, the contribution after application of the exchange rate would be approximately €350,000 less than the amount received in 2008. The voluntary contribution made by the Italian Government should equal that received in 2008, viz. €7,850,000. The Centre was trying to persuade the Government to upgrade its contribution, which had remained the same for several years, but in the prevailing financial crisis that would not be possible, and he thanked the Italian Government for its efforts. The voluntary contribution made by the French Government was €150,000, and he hoped that it would remain at its present level. The Director pointed out that even though those contributions were not very large, they were of great importance because they were evidence of diversification of the Centre's sources of funding and confirmed its international standing. He invited other governments to join with France in making a contribution. Voluntary contributions were also made by the Piedmont Region and the City of Turin. The Director said that, because of the financial difficulties faced by the City of Turin, it was not certain that its contribution of €500,000 would be kept up in 2009. He pointed out that, in the end, the €11 million of the regular budget did not even cover staff costs. Other revenues were referred to as "own revenues" as they were generated by the activities themselves. They were therefore variable by nature. In this category, the Director mentioned funds received from the Governments of the Netherlands and Spain, and certain projects funded by France or the European Union. He explained that the Italian Government contributions made it possible to attract complementary funding, in accordance with the "cost-sharing" principle. The Director said that he foresaw an increase in those revenues, despite the fact that the Italian contribution

was bound to decline, even though it was not yet known by how much. He stated that, if it were the case, all the Centre's programmes would see a reduction in their financial endowments from the Italian contribution. Nevertheless, the Centre was counting on an increase in revenues thanks to the work done by the Programme Development and Regional Cooperation Service, the results of certain invitations to tender, and efforts made to find other donors, in particular Spain and Portugal, at the end of the two-year period in 2009 and at the end of the period of RBSA funding. On expenditure, the Director said that it was impossible to reduce fixed costs, but he stressed that the amount of those costs was presented without any increase. As for variable costs, any increase would be linked to the growing volume of the Centre's activities. He concluded by saying that the Board was being presented with a budget which was €350,000 short. That deficit could be cut automatically if the exchange rate moved in favour of the dollar in 2009.

41. *The representative of the External Auditor* stated that the examination of the financial statements of the Centre had revealed no weaknesses or errors of a material nature and accordingly they had given an unqualified opinion for 2007. He then stated that as the UN system had adopted a new accounting arrangement from 2010, called IPSAS, he would take this opportunity to reflect on aspects of the financial governance of the Centre. He informed the Board that the Centre had had a surplus of some US\$1.5 million in 2007; but had the Centre, as required by IPSAS, recorded all the changes in liabilities for accrued leave and after-service health insurance, the accounts would have shown a deficit of US\$1.8 million. The Centre had reserves of less than US\$13 million, against a total liability for those expenses in excess of US\$35 million. He advised the Board and management of the Centre to establish appropriate arrangements to ensure funding in the future. He reminded the Board that it had adopted the euro as the reporting currency for the financial statements from 2008, and that completing the restatement of the balances from dollars to euros was a matter of urgency. He said that his analysis had identified three areas where the financial management of the Centre should be improved. These were: (1) the regular financial information provided to the Director and his senior management team; he noted that the Financial Services did not routinely prepare a comprehensive corporate analysis that would enable managers to interpret financial information and identify issues that needed attention; (2) the arrangements for profiling budgets across the year to facilitate in-year monitoring of financial performance; to enable all budgets to be analysed, they should be allocated by month, semester or some other period, to make it possible to monitor that income and whether expenditure was on target; he explained that there were considerable differences between the original budget and the various estimates provided for 2007; (3) the role and responsibilities of the Treasurer, which needed to be reviewed; while not criticizing the current Treasurer, he enumerated the various functions of the Treasurer and considered that he had an exceptionally wide degree of influence and control, which was not designed to minimize the possibility of conflicts of interest; he considered that the current process of appointing a new Treasurer was an opportunity to reconsider the responsibilities of the post and develop effective deputy arrangements. He brought to the attention of the Board, who, he was certain, would ensure that appropriate action was taken, his report's examples of financial systems not operating as well as he would have expected, and its indication of areas where financial governance could be improved. He noted that this was the final report he would be making to the Board, as he was handing over to the Auditor General of Canada. He wished the Centre continued success in meeting its objectives.
42. *The Worker Vice-Chairperson* communicated that his group had taken note of the External Auditor's report and wanted to make the following observations. Page 15 of the document showed that the ILO's contribution had increased from US\$2.8 million in 2006 to US\$5.6 million in 2007. The group wanted some explanation of that increase. On page 25, the report stated that the Centre had taken steps to apply the External Auditor's recommendations in response to accusations in the Italian press regarding poor

management of resources in connection with one of the Centre's programmes, but noted that it had taken a year to implement the recommendations. In his recommendation 1, the Auditor advised the Board of the Centre and its management to continue to make provision for the long-term commitment arising from accumulated holidays or sickness insurance benefits after terminations of service, and to consider making appropriate arrangements for funding them in the future. The group urged that these issues be discussed with the Staff Union. The group also took note of the Auditor's recommendation to adopt better financial procedures. It hoped the Centre would improve its financial supervision, as recommended on page 33 of the Auditor's report. The variations in surplus/deficit for 2007 mentioned on page 32 did not make for good financial management. Looking ahead to the forthcoming retirement of the Treasurer, the group recommended a review of the distribution of responsibilities among the senior management team. The management should also invest in the development of financial staff so as to ensure greater transparency and a better distribution of tasks between the Treasurer and his team.

43. *The Employer Vice-Chairperson* thanked the Director for the transparency of his report. He expressed concern about the financing of the new liabilities that had to be included in the budget from 2010 onwards. He insisted on the need to treat the question of the financial surplus with caution and to find a solution to that issue without waiting for the 2010 deadline.
44. *The spokesperson of the Government group* thanked the Auditor for his report and asked the ITC to take into account all four recommendations the Auditor had made. Concerning the report and the outlook she accepted that it was not possible to predict in detail what would happen in 2009. That even would be a reason to be more concerned about the astonishing movements from a predicted deficit to a surplus in the last budget – when times seemed to be calm. It could also go the other way round. She asked for more information about how such movements were possible.
45. *The representative of the Government of Spain* noted that the Auditor had supported the request made by some governments for the Centre's Board meeting to be moved to March. Only this could guarantee the influence of the Board on the programme and budget. The November Board meeting always came too late. He stressed the importance, in particular for the City of Turin, of obtaining an accurate estimate of the value of the buildings and land on which the Centre was located. Regarding the free transfer of staff from headquarters to the Centre for ten months, the representative of the Government of Spain wanted to know on what terms this was done, so as to avoid any accounting irregularities, since the two bodies were distinct in this respect. The contribution made by France could, on the other hand, be treated as a cash gift, a completely legitimate transaction.
46. *The representative of the Government of Kenya* said he was glad to receive the report on the implementation of the Programme and Budget for 2008, and the proposals for 2009. He also noted that the catalogue of courses was provisional, given that other activities might be included subsequently and some postponed to a later date. If that were to happen, he would like those changes to be set out in a future report so as to provide a full review of planned activities that had not yet been carried out. He took note of the information in Annexes II and III on training activities, including distance learning, and the action points for 2007 and 2008. He appreciated the statistics on distribution by region, the number of participants in activities on the ground, and financial resources. He requested that the Centre work jointly with the ILO technical units active in the field of social protection to increase activities and, if possible, organize regional seminars in 2009. The representative of the Government of Kenya shared his satisfaction regarding the activities held in Africa, which, according to the report, had increased from 2,532 in 2007 to 3,064 in 2008. He was happy with the details given in point 11 on voluntary contributions. He thanked all those

who had supported the Centre, mentioning particularly the ILO and other sources, such as the trust fund. He supported the point calling for a decision in paragraph 19.

47. *The representative of the Government of South Africa* felt that two points should be looked at, i.e. long-term liabilities and the responsibility of the Treasurer. In his opinion, the creation of a post of assistant treasurer could be a solution, but the resources were obviously limited. He questioned the responsibility of the Treasurer towards the ILO and asked for the matter to be clarified. He said that he would like an in-depth analysis of the impact of surpluses in relation to long-term liabilities in the next External Auditor's report.
48. *The Director of the Centre* said that he agreed with the External Auditor. He said that the Centre should obtain a better follow-up tool and should draw up its budget more precisely, even though that was difficult, and that it should come to terms with the financial and human resources it had. Returning to the Treasurer's role, the Director noted the External Auditor's comments on two points: firstly, the role played by the Treasurer within the Contracts Committee, which could give rise to conflicts of interest; and secondly, the concentration of powers in the hands of a single individual, which would be examined in depth when the new Treasurer was recruited. Citing the long delays in implementing the recommendations formulated in previous reports, he understood that the External Auditor's comment essentially concerned the circulars on ethics, and he acknowledged that the corresponding circulars had only been published a few weeks previously. According to the Director, the delay was primarily due to the talks with Geneva, as yet unresolved, moreover, on the appointment of the person responsible for matters of ethics. Finally, going on to point 12 of the financial statements, he said that the marked increase in funds from the ordinary budget was because 2007 had been the second year in the two-year period, a year in which it was traditional for headquarters and field offices to spend more money, notably by asking the Centre to run training activities.
49. *The representative of the External Auditor* thanked the Government representatives for their support and pointed out that the adoption of IPSAS standards was an obligatory change that many organizations had already had to make. His recommendation merely reflected experience, which had shown that the change should be planned with great care.
50. *The Chairperson* thanked the External Auditor for the fruitful cooperation that had been established over the years, and recalled that his recommendations had always been helpful to the Board and the management of the Centre.
51. *The representative of the new External Auditor* introduced her institution, which had considerable experience of auditing in international organizations. She was aware that the work would not be easy, and thanked the Director of the Centre and the former External Auditor for answering all the questions that had been raised during the transitional period and for the smooth handover arrangements.
52. *The Board* took note of document CC70/2.
53. *The Director* of the Centre presented the Programme and Budget proposals for the 2008 financial year (document CC70/2/Add.1 (rev.)).
54. *The Employer Vice-Chairperson* said that the members of his group were perplexed as to the very low figures for the 2009 budget. He did not understand the reason for this significant reduction compared to 2007 and wanted clarification, particularly on the voluntary contributions. He added that his group would like to see an increase in more stable resources for the Centre, by making access to its services more attractive to other organizations, for example. He stressed that overtures should be made to the City of Turin.

He concluded by asking whether the changes to the Staff Regulations which the Board had very recently adopted had been taken into account in establishing the 2009 budget.

55. *The Worker Vice-Chairperson* regretted that the recommendations set out by the Working Party had not brought about an increase in the technical cooperation funds allocated to Turin, or in the voluntary contributions allocated to the Centre. He said that his group continued to believe that the proportion of the ILO's regular budget intended for the Turin Centre should also be revised upwards, and that he would like to develop this comment during discussion of the fifth item on the agenda. He wished to thank the Italian Government, the City of Turin, the Piedmont Region and France for their voluntary contributions and invited other governments to do the same. He concluded by saying that the Workers' group supported the point for decision in paragraph 19.
56. *The representative of the Government of Italy* referred to her speech the previous day and wanted to clarify the difference between the Government of Italy's fixed and voluntary contributions to the ILO in general and to the Centre in particular. The proportion of the fixed contribution allocated to the Centre was unchanged for the year 2009. She said that the voluntary contribution, on the other hand, which related to the Centre's activities, would be reduced due to a general reduction in Italian technical cooperation funds. The budget proposal for 2009 took that reduction into account.
57. *The representative of the Government of the Bolivarian Republic of Venezuela* felt that the report drawn up by the Director of the Centre was a realistic overview based on empirical data. It might therefore be possible to meet the budget forecast. He justified his optimism by saying that the year 2007 had closed with a substantial surplus when a deficit had been envisaged. He also drew attention to the fact that the Director's forecasts did not only take financial resources into account, but also included human capital. He had no doubt that the increase in activities would boost the Centre's financial health.
58. *The representative of the Government of Germany* asked for immediate information to the members of the Board if any substantial change would occur in 2009. She wished to have a plan B to help the Centre to cope with the issue of fixed costs in case of such changes.
59. *The Director of the Centre* shared the optimism for the 2009 financial year in part, but noted that if the current trend continued, 2010 would be a very difficult year. The plan B the representative of the Government of Germany had referred to had been drawn up by the Working Party. The Director indicated that only the Centre's greater integration into ILO technical cooperation activities would help it to meet its budget forecasts.
60. *The Board* approved paragraph 19 of document CC70/2/Add.1 (rev.).
61. *The Chairperson* introduced the debate on document CC70/2/Add.2, and proposed a point for decision on the adoption of IPSAS by the Board.
62. *The Director of the Centre* presented document CC70/2/Add.2.
63. *The Worker Vice-Chairperson* took note of the information in the document and asked for his group to be kept informed of the implementation of the new accounting standards.
64. *The Employer Vice-Chairperson* stressed that several governments had asked for closer cooperation between Geneva and Turin, and specified that the Employers' group had broadened its cooperation with the Centre. He believed that such cooperation offered an opportunity for more constant financing, which would make the Centre less vulnerable in the current economic and financial climate.

65. *The Treasurer* pointed out that talks on the adoption of IPSAS standards had been going on for over a year and that the answers received were rather vague, particularly on the subject of sickness insurance and the registration of buildings. The Centre was a small international organization and the same problems could arise in other agencies. The transitional stage could last from ten to 20 years.
66. *The Treasurer and Financial Comptroller of the ILO* indicated that IPSAS standards were primarily intended to ensure greater accounting transparency rather than to create liabilities. Contrary to the Centre's current procedure, certain organizations included the value of buildings in their balance sheet, even if they did not own them. He suggested that the Centre should consider such an option, in consultation with the Auditors.
67. *The Board* took note of and supported document CC70/2/Add.2.

V. Follow-up to the Working Party's proposals on funding the ITC-ILO (Fifth item on the agenda)

68. *The Employer Vice-Chairperson* highlighted the quality and importance of the follow-up document, which could form the basis for developing a framework agreement for effective structural cooperation between Geneva and the Centre. He encouraged the management to follow that route, since regular cooperation and follow-up could contribute towards the stabilization and perpetuation of the Centre's funding.
69. *The Worker Vice-Chairperson* recalled that the conclusions drawn up by the PFA Committee in November 2007, following discussion of the Working Party's report, underscored the need for an increase in extra-budgetary ILO resources allocated to the Centre and in direct voluntary contributions. The Committee stressed the need to gear training activities more closely towards the Decent Work Agenda, the DWCP and the strengthening of the capacity of constituents through joint programming between Turin, Geneva and the grass roots. While supporting the Working Party's conclusions, he said that the Workers' group wished to reiterate that the response to the Centre's financial problems included an increase in the proportion of the ILO's regular budget allocated to the Centre. The Worker Vice-Chairperson thanked the Centre for making a great effort to integrate its action into the ILO's action. The group stressed the urgency of increasing the mobility of resources between headquarters and the Centre, and was concerned that the Working Party's findings would not be reflected in practice in an increase in the technical cooperation funds allocated to the Centre, which required a greater commitment by PARDEV. He noted in this respect that a consultant on cooperation between the Centre and PARDEV had been recruited in August 2008 and wanted to know what his mandate was, and what results could be expected from his appointment. He stressed that the Board of the Centre and the PFA and Technical Cooperation Committees should closely monitor the implementation of a new policy to increase the proportion of technical cooperation funds allocated to the Centre, which currently stood at less than 1 per cent. He was pleased with the indication in paragraph 10 that initiatives were under way to involve the Centre in carrying out programmes funded by the RBSA. He wanted to know whether such an approach would lead in practice to an allocation of RBSA funds to the Centre. The Worker Vice-Chairperson regretted that the results in terms of increasing voluntary contributions were still limited. In this respect, he invited the Centre to continue its dialogue with PARDEV and donors and to explore the routes described in paragraph 12 of the document. He took note of the information on staff exchanges but recalled the importance of integrating staff between Geneva and Turin. He also stressed the usefulness for the Centre of having access to IRIS, which would bring it closer to headquarters and to the grass roots, and welcomed the first steps in that direction. The Worker Vice-Chairperson

concluded that a great deal remained to be done to implement the Working Party's findings adopted by the PFA Committee. The Workers' group wanted concrete, rapid progress to be made from 2009 towards better joint planning between Geneva and Turin, and that would translate into the allocation of more funds to the Centre from Turin. A report on the progress made in that area should be submitted to the Board and to the PFA Committee in November 2009.

70. *The spokesperson for the Government group* said that governments were in favour of increased cooperation between Geneva and Turin, that the Centre should be considered to be a source of real and essential information from then on, and that structured and regulated exchanges should take place. Furthermore, she proposed that the Centre should be involved in every project within the technical cooperation and RBSA from the first planning steps on. The Centre could provide the necessary expertise, experience and knowledge more than probably any other training centre for the special demand of the ILO.
71. *The representative of the Government of Spain* drew attention to paragraphs 13 and 16 of the document. Paragraph 16 stated that closer alignment led to more structured relations and better joint planning in the medium term, even if that had not yet been reflected in a clear increase in the Centre's funding by the ILO. As a significant donor, the Spanish Government questioned the realism of such cooperation. The challenge of cooperation between the ILO and the Centre involved an adjustment in the balance between them, giving the Centre a role equivalent to the role of the ILO by making increased use of Turin's services. As regards paragraph 13 on staff exchanges, this was in fact a matter of exchanges of technicians rather than a manoeuvre seeking to avoid increasing the Centre's staff.
72. *The representative of the Government of China* compared the Centre's resources in 2009 to those in 2008, noting only a slight increase. The level of detail of activities recorded in the Director's report did not allow strategic and constructive decisions and recommendations to be made.
73. *The representative of the Government of South Africa* noted that the current cooperation between Geneva and Turin did not only concern staff and stressed that the Centre still did not benefit from an increase in the proportion of the ILO's technical cooperation portfolio. In reference to paragraph 10 on the increase in technical cooperation funds directed towards the Centre, he said that the latter offered a vast range of educational programmes in all areas of ILO activity. The approval of the catalogue prior to its publication could bring about increased participation in the activities proposed. All ILO capacity-building programmes must refer to Turin as a first point of call.
74. *The Director of the Centre* thanked the Board for its support and the interest it showed in the Centre's funding. He acknowledged that there was a discussion with PARDEV on ways of funding training activities as part of technical cooperation. The reconciliation referred to with ILO departments was technical in nature – something he welcomed – and did not fundamentally affect funding methods. He regretted that the Centre had been relegated to the back of the queue when technical cooperation projects were being finalized and that, when the Centre was called upon to comment on the components of training projects, it was not given that they would actually be included in the projects concerned. The situation was also delicate in the field, since the funds allocated to training, which were often insufficient to cover the involvement of a specialist from Turin, were frequently withdrawn to meet the project's budget needs. The Director hoped that a budget line would be released at RBSA level for the training to be carried out by the Centre. Similarly, during negotiating rounds with donors, a certain amount should be ring-fenced for the Centre. This would make it possible to draw up strategies for training and for developing more robust and coherent skills, ensuring a more positive and visible impact. The Director also

wished to point out that the Centre's budget was insufficient to pay staff salaries and that activities therefore had to generate income. As regards the remark by the representative of the Government of Spain concerning staff exchanges, they were administrative appointments that gave the employees concerned the possibility of returning to their original unit.

75. *The representative of the Government of Spain* said that what was formerly known as "staff loans" had become "staff exchanges". He hoped that this was not merely a semantic change and that the Centre would manage such exchanges between Geneva and Turin with all due stringency. He noted that Spain's supplementary contributions to the 2008–09 budget had been paid in early 2007 and that some of the contributions could have been allocated directly to the Centre. He stressed that a guarantee of stable funds would allow the Centre to improve its financial and human resources management and would allow specialists to concentrate on their mandate rather than on generating resources.
76. *The Employer Vice-Chairperson* supported the representative of the Government of South Africa's proposal. He welcomed the signs of strong cooperation but insisted on the need for clear framework agreements for technical cooperation by virtue of which the Centre could be awarded a corresponding proportion of the respective training funds.
77. *The representative of PARDEV* explained that her department consisted of three units: technical cooperation, resource mobilization and external relations, the latter being the unit to which she belonged. She explained that her unit dealt with relations within the United Nations system and with reforms. She noted the differences in points of view between PARDEV and the Centre, indicated that the management of PARDEV was aware of the situation and recalled that the system proposed by PARDEV had been put in place recently and that there had not yet been time to assess its effectiveness. Not enough technical cooperation projects had been approved under the system for the outcomes to be significant.
78. *The Worker Vice-Chairperson* asked for a response about the consultant involved in cooperation between the Centre and PARDEV. While the discussion was very fruitful, it could be more consistent and should be carried out at PFA Committee level.
79. *The Director of the Centre* explained that Mr Ndjonkou had been appointed to strengthen the position occupied by Turin in ILO technical cooperation activities. Mr Ndjonkou was, furthermore, in Geneva to ensure greater cooperation between headquarters and the Centre and to seek funds on Turin's behalf.
80. *The Worker Vice-Chairperson* asked for greater synergy between Geneva and Turin and announced that the three groups specifically wished to work together at PFA Committee level.
81. *The representative of the Government of the Bolivarian Republic of Venezuela* thanked the Director and hoped that a range of training activities for ILO officials would be set up at the Centre in the common interest.
82. *The Board* took note of document CC70/5. To sum up the discussion, the Chairperson proposed a number of key points to which everyone agreed. More efforts needed to be made to improve the structural cooperation between PARDEV and the Turin Centre in order to improve joint programming and implementation of technical cooperation activities. This would ensure a stable resource base for the Centre.

VI. Report on the meeting of the Officers of the Board (Sixth item on the agenda)

83. *The Director of the Centre* pointed out that several themes from the meeting of the Officers of the Board had already been brought up, and that he would refer to three of them. The first was the simplification of documents presented to the Board. The Director acknowledged that the situation was not yet perfect and invited members to make public any suggestions they had. The second was the decision on the distribution of the surplus, which leaned towards a reinforcement of the training capabilities of the Centre. The third, and undoubtedly most sensitive, concerned the date of the meeting of the Board, in relation to which he understood the representative of the Government of Spain's justified concern. He said that it should be noted, however, that the Board had to approve the budget and that, if it met in March, it should either take a decision on the budget already being implemented or adopt a proposal relating to the following financial year, which would begin nine months later. The solution could include the organization of two sessions of the Board, inevitably involving substantial costs, which was why he preferred other arrangements to be found and asked for the matter to be discussed.
84. *The Legal Adviser of the ILO* recalled that article III(3) of the Centre's Statute stipulated that "the Board shall meet in May of each year in Turin", and that since its 56th Session the Board had met in Turin in November. The Statute therefore needed to be amended to enable the Board to make its decision about the date of its session. The Board might make a recommendation to the Governing Body as follows: "The Board shall meet annually."
85. *The Worker Vice-Chairperson* took note of the report. He reiterated his group's opposition to the Board of the Centre meeting in March each year to discuss the preceding year's programme of activities. Such a proposal risked creating a two-tier Board and depriving large numbers of the Board's members, including Worker representatives, of an important debate on the subject in November. The Workers' group could, on the other hand, agree to a meeting of the Board in March to address urgent issues, but without institutionalizing such a meeting.
86. *The Employer Vice-Chairperson* said that he was in favour of more frequent contacts, but felt that a meeting in March would raise problems, particularly for the reasons cited by the Director. He therefore recommended that if necessary the Officers could meet in March to address urgent or specific issues, but added that the initiative should come from the Board itself.
87. *The representative of the Government of South Africa* wondered whether the cost of holding the Board meeting, which he believed amounted to €75,000, could not be divided between two sessions, in which case the Board could meet twice a year, but on a single day.
88. *The spokesperson of the Government group* would examine the issue, including the cost impacts. She therefore reconfirmed the proposal that the Centre should provide as early as possible a document with the pros and cons of these different solutions.
89. *The Chairperson* suggested that the management of the Centre should study the issue and should ask the Board to analyse it. She proposed to advise the Governing Body of the ILO to amend article III(3) of the Statute of the Centre to read as follows: "The Board shall meet annually."

90. *The representative of the Government of Italy* supported the Chairperson's proposal, although she felt that each solution had both advantages and disadvantages.
91. *The representative of the Government of South Africa* agreed with the Italian delegate and asked the Board to discuss the issue at its next meeting with a view to analysing the various solutions.
92. *The spokesperson of the Government group* proposed as a compromise to maintain the regulation for another year, bearing in mind that the actual practice was not in harmony with this rule, and asked once more for a document that would make a decision in the next year possible.
93. *The Chairperson* proposed that the Officers of the Board review the different options in relation to the scheduling of the annual meeting of the Board.
94. *The Board* took note of document CC70/6.

VII. Other questions (Seventh item on the agenda)

95. *The Chairperson* informed the members of the Board that the report on the 70th Session of the Board of the Centre would be made available to the Programme, Financial and Administrative Committee of the Governing Body of the ILO from Monday 11 November 2008. In accordance with the usual practice, and taking the very short deadline into account, she proposed that the Board should delegate the task of approving the draft report to its Vice-Chairpersons.
96. *The Board* approved the Chairperson's proposal.

VIII. Date and place of the next session (Eighth item on the agenda)

97. *The Chairperson* proposed that the 71st Session of the Board of the Centre be held on a date to be determined by the Officers of the Board before the 306th Session of the Governing Body of the ILO, which would be held in Geneva from 5 to 20 November 2009. The exact date would be communicated to members by the Officers of the Board, taking the other meetings of the ILO into account.
98. *The Board* approved the Chairperson's proposal.
99. *The Chairperson* closed the 70th Session of the Board of the Centre and thanked the participants for their contributions.

Geneva, 10 November 2008.

Submitted for information.

Appendix

Address by the Chair of the Staff Union Committee to the Board of the Centre

(6 November 2008)

Mr Chairperson, members of the Board, ladies and gentlemen,

I am pleased to take this opportunity of addressing the Board of the Centre on behalf of the Staff Union Committee.

First of all, let us take a look at action by the Staff Union Committee in the last year.

To help make the Centre more visible within the UN system, we held the annual FICSA Council here on the campus, from 4 to 8 February 2008. There was record participation by delegates from the various organizations, and the event was a big success. The Council in Turin will be remembered as the occasion which brought the two major federations that incorporate most of the unions within the international organizations, namely FICSA and the CCISUA, closer together. This has led to continuing collaboration, and there are sure to be further developments on many issues of shared interest.

We called a consultative assembly with the staff to draw up a list of priorities for the union agenda, and the staff of the Centre gave us a mandate to tackle the following priorities: ask for the indeterminate contract exercise to take place; try to make our jobs more stable; ask for incentives to be created for the most productive units through a system of (even symbolic) recognition; ask for the performance appraisal system to be simplified; modify parental leave (including adoption); and ask for compensation for days spent working or on mission during the weekend, though only when this becomes recurrent.

We have kept in close touch with the Staff Union Committee in Geneva, in order to harvest the synergy generated by our merger.

Various colleagues have asked us to act in cases of difficult professional and interpersonal relations. These cases generate unease within the organization and sometimes lead to health problems. The staff members affected generally are people in a lower hierarchical position. We are pleased to note that the Human Resources Services have proved more than willing to take positive action to try to settle such cases, while respecting roles.

Let us therefore give voice to the unease felt by some colleagues in a subordinate position. Not only does it take a long time to get a result, but also certain outcomes seem to be inherently biased in favour of those higher up the hierarchy, even when the latter seem to be the cause of the problem. The outcome is demotivated staff, who risk becoming less productive.

These cases call for time, attention and sensitivity. They are regrettable but, fortunately, limited. They cannot be traced to specific organizational faults.

Concerning the replacement of staff and the merging of posts, we deem it necessary to stay on high alert. Although we endorse the evident effort to optimize resources and personnel, there is a risk of overloading certain people with multiple responsibilities, leading to heightened organizational stress, additional work outside office hours and a built-in slowdown in task accomplishment.

As regards project-based contracts, although they allow the Centre to meet temporary needs, they do not overcome the problem of staff being in a contractual position that is fragile, weak and highly stressful, especially if they are protracted. We are therefore forced to ask the management of the Centre to increase the extent to which it shares with the staff its objectives and its vision of the Centre's future.

A further element of uncertainty derives from the incomplete and late availability of information on the financial situation. This makes it hard to take timely decisions on contracts and workloads. We think that more transparent financial analysis and forecasting would generate an environment in which objectives and strategies were more widely shared, to the benefit of the whole organizational climate.

Regarding gender balance, especially the number of women in decision-making positions, there is still a big gap. Indeed, it has widened after recent retirements. Boosting women's representation both at management level and on rosters of experts for activities depends on the Centre making an active effort to put its declared principles into practice.

Turning now to selection criteria, the Committee regularly verifies the uniformity and transparency of job competition procedures. We are aware, however, that there is a need to give the staff more information about how the Centre makes sure that those procedures are followed.

We should like to express the staff's satisfaction with the new policies the Centre has recently adopted on parental leave, ethics, etc. We trust that the "Ethics Officer" mentioned in the "Ethics at the Centre" circular will be appointed fast.

We believe that it is a fundamental task of the Staff Union Committee to highlight critical factors, so that we can work on enhancing quality together with the Human Resources Services, with whom we are happy to say that we have built up a positive climate of cooperation.

Your suggestions, and even criticism of our points of view, are very welcome.

Thank you.