



Governing Body

323rd Session, Geneva, 12–27 March 2015

GB.323/PFA/1/1

Programme, Financial and Administrative Section
Programme, Financial and Administrative Segment

PFA

Date: 25 March 2015

Original: English

FIRST ITEM ON THE AGENDA

Programme and Budget proposals for 2016–17: Director-General's proposals for adjustments

Purpose of the document

In this paper the Governing Body is invited to recommend the proposed Programme and Budget for 2016–17 as adjusted, for approval by the Conference (see draft decision in paragraph 5).

Relevant strategic objective: Not applicable.

Policy implications: Recommendation on programme and budget.

Legal implications: None.

Financial implications: Recommendation on budget level for 2016–17.

Follow-up action required: None.

Author unit: Office of the Treasurer and Financial Comptroller (TR/CF).

Related document: GB.323/PFA/1.

1. In respect of the Director-General's response to the programme and budget debate, this document provides financial information on the proposed adjustments.
2. The adjustments proposed by the Director-General concern the strategic focus of the work of the Office in delivering the priorities established by the Governing Body as captured in the ten policy outcomes. The proposed adjustments relate to the attribution of estimated resources to the policy outcomes and are set out in the revised strategic framework contained in Appendix I.
3. In summary, the adjustments strengthen the resources attributed to outcome 4: Promoting Sustainable Enterprises, and outcome 7: Promoting workplace compliance through labour inspection. The increase in resources to these two outcomes has been offset by a reduction in outcome 6: Formalization of the informal economy.
4. The consolidated strategic budget remains identical to that contained in table 1 of the Director-General's Programme and Budget proposals for 2016–17,¹ which is reproduced in Appendix II to this document. There is no change proposed to the operational budget or the overall level of the budget.

Draft decision

5. The Governing Body:

- (a) *recommends to the International Labour Conference at its 104th Session (June 2015) a provisional programme level of US\$797,388,828 estimated at the 2014–15 budget exchange rate of 0.95 Swiss francs to the US dollar, the final exchange rate and the corresponding US dollar level of the budget and Swiss franc assessment to be determined by the Conference; and*
- (b) *proposes to the Conference at the same session a resolution for the adoption of the programme and budget for the 75th financial period (2016–17) and for the allocation of expenses among member States in that period in the following terms:*

The General Conference of the International Labour Organization, in virtue of the Financial Regulations, passes for the 75th financial period, ending 31 December 2017, the budget of expenditure for the International Labour Organization amounting to \$..... and the budget of income amounting to \$....., which, at the budget rate of exchange of Swiss francs to the US dollar amounts to Swiss francs, and resolves that the budget of income, denominated in Swiss francs, shall be allocated among member States in accordance with the scale of contributions recommended by the Finance Committee of Government Representatives.

¹ GB.323/PFA/1.

Appendix I

Revised strategic framework – estimated regular budget resources by policy outcome for 2016–17 (in constant 2014–15 US\$ million)

Outcome	Revised regular budget 2014–15	Proposed regular budget 2016–17	Revised regular budget 2016–17
Outcome 1: More and better jobs for inclusive growth and improved youth employment prospects	139.3	133.2	133.2
Outcome 2: Ratification and application of international labour standards	78.4	73.5	73.5
Outcome 3: Creating and extending social protection floors	47.4	50.5	50.5
Outcome 4: Promoting sustainable enterprises	59.8	51.7	58.7
Outcome 5: Decent work in the rural economy	29.4	33.9	33.9
Outcome 6: Formalization of the informal economy	27.8	51.5	42.5
Outcome 7: Promoting workplace compliance through labour inspection	93.6	68.5	70.5
Outcome 8: Protecting workers from unacceptable forms of work	51.5	57.1	57.1
Outcome 9: Promoting fair and effective labour migration policies	15.8	34.4	34.4
Outcome 10: Strong and representative employers' and workers' organizations	94.7	86.2	86.2
Total	637.7	640.5	640.5

Appendix II

Table 1. Strategic budget: Proposed expenditure by appropriation line

	Revised strategic budget 2014–15 ¹	Proposed strategic budget 2016–17	Proposed strategic budget 2016–17
	(in US\$)	(in constant 2014–15 US\$)	(recosted (US\$))
Part I. Ordinary budget			
A. Policy-making organs	56 413 245	54 441 096	54 727 968
B. Policy outcomes	637 682 127	640 534 273	635 564 571
C. Management services	63 864 594	62 984 597	62 713 611
D. Other budgetary provisions	45 594 077	45 594 077	46 575 748
Adjustment for staff turnover	-6 595 445	-6 595 445	-6 521 935
Total Part I	796 958 598	796 958 598	793 059 963
Part II. Unforeseen expenditure			
Unforeseen expenditure	875 000	875 000	875 000
Part III. Working Capital Fund			
Working Capital Fund			
Total (Parts I–III)	797 833 598	797 833 598	793 934 963
Part IV. Institutional investments and extraordinary items			
Institutional investments and extraordinary items	3 426 402	3 426 402	3 453 865
TOTAL (Parts I–IV)	801 260 000	801 260 000	797 388 828

¹ To facilitate comparison with 2016–17 figures, the 2014–15 budget was revised to reflect under the policy-making organs and the policy outcomes the resources from the Official Meetings, Documentation and Relations Department, and the Internal Services and Administration Department that directly support these items.