

“Written comments by Mthunzi Mdwaba on behalf of the Employers’ group

GB.340/PFA/5: 2018-19 Programme Implementation Report

The Office should pursue its efforts to address the Employers’ Group requests expressed during GB.332:

- Improved comparative analysis of the results against the programme and budget for the policy outcomes;
- Improved analysis, giving meaning to quantitative measurements through stronger narratives on trends, changes and impact;
- Improved financial analysis and clarity on how approved budgets were moved around;
- Concrete substantiation of unmeasurable expressions and the removal of analytical narratives that articulated policy directions not endorsed by the tripartite constituents.

With regard to financial data and expenditure, we repeatedly asked for an implementation report that compares the strategic budget with the actual expenditure. The PIR for 2018-19 shows positive improvements, in particular by providing this comparison by policy outcome. However, further enhancements are needed:

- For the expenditure summaries, the PIR again does not distinguish the funds allocated under Outcome 10 to employers and workers; the next PIR should provide for the necessary separation so that the GB has an improved understanding of where and how ILO resources are channelled for social partners. If the expenditures for employers and workers were to be *“almost exactly the same”*, as stated by PROGRAM in the Office consultation on 19 October 2020, this does not mean that the disclosure of this information is not necessary and, in any case, it is for the GB to determine whether or not the breakdown is needed. We highlight however that the budget for workers is twice that of employers (P&B for 2018-19 notes that the operational budget for E is \$10 million and W is \$21 million; RBTC for E is \$2.9 million and W is \$5.7 million). The breakdown is also necessary for XBTC as there are likely to be large differences here too.
- For PIR 2020-21, the GB should not be provided with an aggregate figure of Outcome 1 as this outcome currently combines not only employers (output 1.1) and workers activities (output 1.2) but also labour administration (output 1.3) and social dialogue (output 1.4). Such aggregation would make it even more challenging to assess if adequate levels of resources were provided for social partners’ institutional capacity development.
- The total expenditure by policy outcome details that Outcome 1 not only had the largest RB resources but also the largest XBTC contributions and RBSA. Whilst appreciating the significance of the policy area, there is a stark imbalance of XBTC for Outcome 1 (\$154.4 million) when compared with other issues in need by constituents such as Outcome 6 on formalization (\$3.7 million) and Outcome 10 on social partners (\$6.1 million). Moreover, RBSA should be used where funding is needed the most and support areas that do not attract voluntary contributions. The Office should make efforts to support resource mobilization for under-funded policy outcomes, specifically Outcomes 6 and 10. Additionally, the Office should be narrowing the gap between donor interest versus constituents’ needs, specifically for programmes supported by XBTC.

With regard to organizational performance, the results do not appear to have a strong correlation with the level of allocated resources, for instance on Outcome 1: strategic XBTC was \$131 million whereas actuals were \$154 million. However, this substantial increase did not lead to a significant number of results. Outcome 1's results were above target by only 3 results. Outcome 2's XBTC was a near \$10 million higher than projected and was under target by 3 results. The Office should assess why substantial increase in real resources compared to what was originally planned are not resulting in more results as these trends appear to contradict results-based management principles.

In relations to the cross-cutting policy drivers (CCPD), despite standards as well as tripartism and social dialogue being the value-add of the ILO, the results that principally contribute to these are somewhat limited (ILS 16%, SD 7%). Further improvements should in particular be made for the CCPD on social dialogue for the current biennium.

On lessons learned, it is imperative to tap into the knowledge of constituents when generating research and knowledge. We fully support the statement that resources were "*more impactful when aligned with the priorities of the tripartite constituents*". It is an absolute precondition for the Office to conduct consultations with constituents through ACT/EMP and ACTRAV when designing new programmes and projects. Finally, we further stress the imperative to raise and channel resources for the institutional capacity development of social partner organizations.

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