



NINTH ITEM ON THE AGENDA

Other financial questions**Urgent repairs**

1. This document seeks advance approval for expenditure to be financed from the Building and Accommodation Fund to meet urgent maintenance costs that cannot be covered by the regular budget.
2. Article 11 of the Financial Regulations provides that the Building and Accommodation Fund may be used, subject to the authorization of the Governing Body, for specific purposes relating to premises belonging to the Organization. The Fund is financed by a contribution from the regular budget and is also credited with income from the rental of surplus office space and parking spaces. The unallocated balance of the Fund as at 31 December 2007 was some 1 million Swiss francs (CHF).
3. The regular budget of the Office includes a provision of some CHF8.8 million in 2008–09 for routine maintenance activities. Of this amount, approximately CHF400,000 is available to meet unforeseen items. Inevitably, certain repairs become necessary beyond the level of routine maintenance. These repairs may require urgent intervention and the allocation from the regular budget may not be sufficient to cover them. Furthermore, the timing of this work would not necessarily coincide with sessions of the Governing Body allowing specific financing authority to be obtained. Such urgent maintenance work would be additional to, or need to be carried out in advance of, work foreseen in the headquarters renovation project.
4. It is proposed that an amount of CHF500,000 be earmarked in the Building and Accommodation Fund to finance such urgent works that cannot be financed from the regular budget. The Director-General would be authorized to draw upon these funds on an as-needed basis and to report back to the subsequent session of the Building Subcommittee on their use. The Governing Body has previously provided similar flexibility to the Director-General for waterproofing work of the headquarters building.¹

¹ GB.239/PFA/6/3 and GB.239/8/33.

5. The Committee may wish to recommend that the Governing Body:

- (a) earmark an amount of CHF500,000 in the Building and Accommodation Fund to be used for urgent repairs and maintenance of ILO-owned buildings; and**
- (b) authorize the Director-General to use these funds on an as-needed basis and to report to the Building Subcommittee on any such use.**

Geneva, 2 October 2008.

Point for decision: Paragraph 5.