



FIFTH ITEM ON THE AGENDA

**Proposed 2010–11 budgets for
extra-budgetary accounts****Inter-American Centre for Knowledge
Development in Vocational Training
(CINTERFOR)**

1. As in previous biennia, and in accordance with the provisions for the establishment of the extra-budgetary account of the Inter-American Centre for Knowledge Development in Vocational Training (CINTERFOR), the Committee is called upon to examine the estimates for this account. The budget for the extra-budgetary account is included in Appendix I. Details of proposed expenditure are given in Appendix II.
2. In 2009, the International Labour Conference adopted a Global Jobs Pact in response to the crisis that affects all countries, leading to higher unemployment rates and hitting the poor and socially excluded groups particularly hard. One of the principles put forward in the Pact to promote recovery is to increase equal access and opportunities for skills development, quality training and education.
3. Similarly, the 2008 ILO Declaration on Social Justice for a Fair Globalization reaffirms the importance of the mission of member States and the ILO to place full and productive employment and decent work at the centre of economic and social policies. With this in view, skills development contributes to the objectives of the Decent Work Agenda by improving productivity and competitiveness, enhancing youth employability and increasing access to better employment for those who are disadvantaged in the labour market.
4. The Office supports constituents by making available policy advice and tools that can enable them to better apply the policy guidance contained in the Human Resources Development Recommendation, 2004 (No. 195), as well as in Conference resolutions concerning skills development for improved productivity, employment growth and development (2008), and youth employment (2005).
5. CINTERFOR contributes to the strategic objective of creating greater opportunities for women and men to secure decent employment and income through outcome 2: skills development to increase the employability of workers, the competitiveness of enterprises and the inclusiveness of growth. This also responds to the priorities established for the

Americas as regards employment and the integration of social and economic policies to overcome social inequality and promote youth employment.

Response to the recommendations of the Governing Body

6. At its 300th Session, the Governing Body made a series of recommendations concerning the way CINTERFOR was managed. The results of actions taken by the Centre to implement them are summarized below.
 - (a) Coordination with the International Training Centre of the ILO, Turin (the Turin Centre), headquarters (in particular the Skills and Employability and Sectoral Activities Departments), the Regional Office and field offices has improved. CINTERFOR has coordinated activities in the area of qualifications frameworks that, as part of the EUROSOCIAL–Employment/Turin Centre project, have been under way since the second half of 2008. Similarly, CINTERFOR is working with the Skills and Employability Department on worldwide research geared to strengthening qualifications frameworks of the countries in the Americas.
 - (b) CINTERFOR is collaborating with the Turin Centre and the ILO Office in Mexico on the implementation of a project to apply the System for the Measurement and Improvement of Productivity (SIMAPRO), an initiative based on social dialogue as a means to improving working conditions and productivity in enterprises.
 - (c) Since 2008, CINTERFOR and the Turin Centre have been executing a joint work programme. This is reflected in the tutorials and the didactic materials that CINTERFOR prepared for the Turin Centre distance training programmes.
 - (d) Eleven new training institutions have been incorporated into the CINTERFOR network, nine in the Americas and two in Europe. As a result, knowledge about vocational training has broadened, horizontal cooperation has extended and the Centre's financial resources have increased. In the biennium 2008–09, the Centre reached its target for extra-budgetary income from this source.
 - (e) It is also important to note that the members of CINTERFOR, in addition to their annual contributions, also contribute in kind to the Centre's efforts to fulfil its mission. In-kind contributions include: air tickets; board and lodging; internal transportation; and logistical support.
 - (f) CINTERFOR has worked or is working in cooperation with a range of international bodies, including the Organization of American States (OAS), the European Training Foundation (ETF), the Ibero–American Association of Research Centers and Telecommunication Enterprises (AHCJET), the International Development Research Centre (IDRC/Canada), the Swiss Agency for Development and Cooperation (SDC), the Interamerican Federation of People Management Associations (FIDAGH) and the Inter-American Development Bank (IDB).
 - (g) Besides accumulating more knowledge about vocational training, the Centre's new alliances have led to technical cooperation projects and the mobilization of resources.
 - (h) The CINTERFOR Programme and Budget Committee was established. Its members include representatives of the Employers' and Workers' groups of the Governing Body.

- (i) Knowledge management and horizontal cooperation among CINTERFOR members have been strengthened. The Centre has taken advantage of the potential of information and communication technologies to build up the following databases on its web site:
- a didactic resources database with more than 6,000 reference items, built around ILO materials and those of many national vocational training institutions including SENAI, SENAR, SENA, INA and INATEC;
 - a database containing good practices from vocational training institutions, the ILO and other organizations;
 - a database on training specialists; and
 - a training courses search facility.

2010–11 programme and implementation strategy

7. Based on what has been done in the last two years and the strategy involved in that effort, the initiatives mentioned above will be consolidated.

Summary of proposed income and expenditure for 2010–11

8. The Centre's main sources of income, other than the ILO, are contributions from its member institutions in Latin America, the Caribbean, Spain and Germany, and from the Government of Uruguay, as well as the sale of publications and printing services.
9. The ILO contribution, which amounts to US\$1,900,012, finances two international positions (the Director and one training specialist) and a large proportion of local staff costs.
10. The contribution from the Government of Uruguay is estimated at US\$100,000 as in 2008–09. In addition, the Government provides the Centre with its premises on a long-term loan basis and free of charge. The Government paid its contributions in 2007 and 2008, and it is processing the payment for 2009. It still owes contributions from previous years but has stated it will clear these outstanding obligations.
11. Contributions from vocational training institutions in the different countries reached the target of US\$450,000 for the 2008–09 biennium. Since the number of member institutions has increased, financial contributions from this source are expected to rise. The total for the biennium 2010–11 is estimated at US\$500,000.
12. Income corresponding to the sale of publications is estimated at US\$20,000 and to printing services at US\$30,000, totalling US\$50,000.
13. The Centre receives extra-budgetary income from short-term technical assistance activities. These activities are in response to demands from public and private institutions and target equal access and opportunities for skills development, quality training and education. It is foreseen that such activities will increase, especially due to the crisis. The income, estimated at US\$100,000 for the 2010–11 biennium, sustains the additional staff and non-staff costs involved in delivering these activities.

14. As regards local staff, the retirement of a national officer is foreseen in 2010. The related resources will be reallocated to two or more junior positions to support the knowledge management and programme areas. In 2011 a national officer position will be incorporated in the knowledge management area to respond to the increasing cooperation requests. A net reduction of one General Service position work year is budgeted for 2010–11.
15. Appendices I and II provide details of the proposed budget and supplementary information.
16. ***The Committee may wish to recommend that the Governing Body approve the income and expenditure estimates of the CINTERFOR extra-budgetary account for 2010–11, as set out in Appendix I.***

Geneva, 16 October 2009.

Point for decision: Paragraph 16.

Appendix I

Inter-American Centre for Knowledge Development in Vocational Training (CINTERFOR)

The proposed income and expenditure for the extra-budgetary account for the financial period from 1 January 2010 to 31 December 2011 are given below, together with comparative figures for budgeted and actual income and expenditures for 2008–09.

	2008–09 approved budget (US\$)	2008–09 forecast income and expenditure (US\$)	2010–11 proposed budget (US\$)
A. <i>Funds brought forward from previous period</i>	326 418	418 379	201 879
B. Income			
ILO contribution	1 765 506	1 765 506	1 900 012
Host country contribution	100 000	100 000	100 000
Contributions from other countries in the region	450 000	450 000	500 000
Sales of publications and printing services	50 000	50 000	50 000
Miscellaneous income ¹	10 000	10 000	10 000
Total income	2 375 506	2 375 506	2 560 012
C. Total funds available	2 701 924	2 793 885	2 761 891
D. Total expenditure	2 475 506	2 592 006	2 759 931
E. <i>Funds to be carried forward to the next period</i>	226 418	201 879	1 960

¹ Interest, exchange/revaluation gains/losses.

Appendix II

Inter-American Centre for Knowledge Development in Vocational Training (CINTERFOR)

Summary of proposed 2010–11 expenditure by subprogramme (extra-budgetary and ILO contribution)

Subprogramme	Work-year/months		Cost in US\$		
	Professional	General Service	Staff	Non-staff	Total
Programme delivery	2/00	4/00	679 444	54 000	733 444
Knowledge management		13/00	743 136	130 000	873 136
Printing services				20 000	20 000
Administration, finances and human resources		4/00	284 512	130 000	414 512
Management	2/00	4/00	642 289	76 550	718 839
2010–11 proposals	4/00	25/00	2 349 381	410 550	2 759 931