



Governing Body

309th Session, Geneva, November 2010

GB.309/PFA/3

Programme, Financial and Administrative Committee

PFA

FOR DEBATE AND GUIDANCE

THIRD ITEM ON THE AGENDA

Use of the Special Programme Account

Overview

Issues covered

Use of the funds available in the Special Programme Account (SPA).

Policy implications

Solicits guidance on the highest priorities for SPA funding.

Financial implications

Will lead to funding proposals in March 2011.

Action required

Provide guidance on the preparation of proposals for the use of the SPA to be submitted to the Governing Body in March 2011.

References to other Governing Body documents and ILO instruments

GB.307/PFA/1/1, GB.309/ESP/1/1, GB.309/ESP/1/2, GB.309/PFA/1, GB.309/SG/DECL/1, GB.309/PFA/7, GB.309/PFA/ICTS/1.

Financial Regulations.

1. The financial results under the Programme and Budget for 2008–09, submitted at the 307th Session of the Governing Body in March 2010, indicated that the biennium ended with an income surplus of 19,127,221 Swiss francs, equivalent to US\$18,570,117, at the 31 December 2009 rate of exchange.¹ The income surplus was due to the receipt of arrears of contributions, resulting in income in excess of the level of the Programme and Budget for 2008–09. In accordance with article 18(3) of the Financial Regulations, this surplus was transferred to the Special Programme Account (SPA) as defined in article 11(9). This same article provides that use of the surplus shall be subject to the authorization of the Governing Body to finance high-priority activities of limited duration that were not otherwise provided for under the budget adopted by the Conference and that do not create any expectation of additional future funding.
2. The Office is committed to thorough consultations on the use of the 2008–09 income surplus. These resources are an important opportunity to enhance services to constituents and to improve the ILO's capacity to respond to the challenges of the time.
3. The discussion of the Programme and Budget proposals for 2012–13 offers an opportunity to plan the use of the SPA in line with the highest priorities identified by the Governing Body. This procedure would have the additional advantage of ensuring that the SPA complements the programme and budget by financing high-priority investments and activities of limited duration.
4. In light of the above considerations, and in line with the prudent and conservative financial management that the Office has consistently practised, the Office intends to submit detailed proposals for the SPA to the Governing Body in March 2011. The proposals would be based on high-priority one-time investments to strengthen services to constituents.
5. The Office has tentatively identified three broad areas meeting these criteria. A dynamic approach to strengthening the service and knowledge capacities of the Office should be the foundation of the proposals. Discussions at the current session of the Governing Body will provide important guidance in this regard:
 - Support to constituents to apply the Global Jobs Pact: An initial effort for nine countries is ongoing. There is more demand for this approach. The discussions on the Global Jobs Pact² at the Committee on Employment and Social Policy are likely to shed further light on the need for increased knowledge on country-level policies and other information.
 - Strengthening the knowledge base of the Office: The preview of the Programme and Budget proposals for 2012–13³ includes a strong focus on the need to support the implementation of the Knowledge Strategy endorsed by the Governing Body in November 2009. The approach outlined in the preview will require the Office to reinforce its internal capacities and infrastructure for the collection, storage, analysis and dissemination of information and knowledge on policies applied in countries in relation to the Decent Work Agenda. The recurrent discussion on employment at the International Labour Conference in June 2010 has also identified a number of areas requiring strengthening of the information collection and analysis capacity of the

¹ GB.307/PFA/1/1, para. 6.

² First item on the agenda of the Committee on Employment and Social Policy, including document GB.309/ESP/1/2.

³ GB.309/PFA/2.

Office.⁴ While much of this will fall under the regular budget, there will be important one-time investments for which resources are needed.

- Strengthening the information technology (IT) capacity of the Office: The report of the Information and Communications Technology Subcommittee⁵ will reflect its discussions on the information technology investments study,⁶ which relates to IT infrastructure. The study concludes that additional investment is required to implement the Knowledge Strategy and to address a “digital divide” between headquarters connectivity and that available in most regional locations.
6. On the basis of the above, the Committee may wish to provide the Office with guidance on the preparation of proposals for the use of funds available in the SPA to be submitted to the Governing Body in March 2011.

Geneva, 2 November 2010

Submitted for debate and guidance

⁴ GB.309/SG/DECL/1.

⁵ GB.309/PFA/7.

⁶ GB.309/PFA/ICTS/1.