

***Director-General's review
of recent developments
in the ILO Programme***

International Labour Conference

***Provisional
Record***



***Eighty-eighth Session,
Geneva, 2000***

1. The Director-General's reform process

On taking up office in March 1999 the new Director-General, Mr. Juan Somavia, initiated a process of reform and modernization. The first steps in this process are reported in the introduction to the Director-General's Report, *Activities of the ILO 1998-99*. They included:

- formulation of a strong tripartite consensus around the Organization's substantive priorities and the main focus of each priority;
- reallocation of resources to implement these priorities through the Organization's programme of work; and
- the corresponding adaptation of the management structures and programme activities to make them operational.

An important aspect of this change was the putting in place of a process of strategic budgeting around four strategic objectives (standards and fundamental principles and rights at work; employment; social protection; social dialogue) and their corresponding operational objectives – each strategic objective contributing to the ultimate goal of securing decent work for people everywhere. The Programme and Budget proposals for 2000-01, centred on these objectives, met with strong support and were approved by consensus by the Governing Body and the Conference.

In the latter part of 1999, and during the first few months of 2000, these new perspectives gave rise to the development of new programmes and the renewal of organizational structures. Since not all of these could be reflected in the Activities Report, which in any case covers only the period up to the end of 1999, it was thought that it would be useful for Conference delegates to receive this short update. The report is not intended to be comprehensive, and in particular does not treat many current activities. It is rather a selective review of some of the areas where there are new developments in the period up to the beginning of May 2000, which may suggest issues for debate during the Conference.

2. Restructuring, priority setting and management reforms

New internal structures for the Office have now been put in place to reflect the new strategic programme, including technical sectors corresponding to the strategic objectives. For each sector, workplans have been developed around a new set of performance indicators, which provide the framework for activities in the 2000-01 biennium. They include both the continuation of some existing programmes – for instance on standards, employers' and workers' activities, sectoral activities, social security and others, for which implementation is under way within the appropriate technical sector – and the launching of a number of new programmes, notably the InFocus programmes on which more information is given below.

In addition, specific actions have been undertaken to progressively enhance coordination between headquarters and the field structure through joint programming consultations involving all field units and technical departments. These substantive meetings, which began in June 1999 and were completed in March 2000, represented a major innovation in coordinating work between headquarters and the field offices and focused on strategic and operational objectives, indicators and targets. To strengthen communication, outreach and the integration of work between different parts of the Office, the Director-General has personally visited some 15 field offices in the course of two visits to Latin America, two to

Asia, three to Africa and several to Europe and North America. A review is now being carried out on measures to strengthen field services, and to extend the ongoing process of reform in order to improve the efficient delivery of services to ILO constituents.

3. Promoting decent work

The Director-General's Report to the 87th Session (1999) of the International Labour Conference, *Decent work*,¹ sought to focus the energies of the Organization on the major goal of securing decent work for women and men everywhere. The idea of decent work provides an integrating framework for the four strategic objectives of the Organization, building them into a single message about the ILO's ultimate objectives, and offering a frame of reference for the development of its programmes, while recognizing the diversity of needs and experiences in the world of work.

This overall goal provides a distinctive vision which is increasingly reflected in the ILO's advocacy work. An effort is now required to operationalize the concept of decent work. To this end, several activities have begun. A new cross-sectoral initiative has started to develop practical applications of the decent work approach through research and policy at the national level. The goal of "decent work" was the primary focus of attention in the American and African Regional Meetings in 1999. The research programme of the International Institute for Labour Studies has been reoriented to focus on the analysis of decent work and its contribution to economic and social objectives. An advisory group on ILO statistics is exploring how new indicators and data collection methods could be developed to measure progress in decent work, as part of a more general review of statistical priorities. The decent work agenda is also providing an important reference point for the ILO's international policy work.

In recent months the Director-General has made "decent work" the leitmotiv of many of his public interventions. He has participated in a number of high level fora, where he has highlighted the importance of the decent work approach for global debates on economic and social policy. Several of these are briefly reviewed in the next section. Most recently, on 1 May 2000, he was invited to address the Jubilee of Workers, an event organized by the Holy See. Before an audience of 200,000, representing all actors in the world of work, he called for a global coalition for decent work – a call which was reiterated by Pope John Paul II in his own greeting to the assembly.

4. International policy developments

A number of steps have been taken in order to ensure that the ILO's views and values are represented in debates on the development of the global economy and its social effects. An International Policy Group has been created within the Bureau of External Relations and Partnerships, both to provide analytical support to the international policy work of the Office, and to service the Governing Body Working Party on the Social Dimensions of Globalization. Country studies on the social impact of globalization have been completed and are being finalized for publication.

The Director-General has presented an analysis of the challenges posed by globalization at a number of important events, including a major conference in Florence on progressive

¹ ILO: *Decent work*, Report of the Director-General, International Labour Conference, 87th Session, Geneva, 1999 (also at www.ilo.org/public/english/standards/relm/ilc/ilc87/rep-i.htm).

governance in the twenty-first century, in a paper circulated at the WTO Ministerial Meeting in Seattle, and in speeches to UNCTAD X in Bangkok, at the European Parliament, at the World Bank and elsewhere.

The Conference in Florence, held in November 1999, was attended by British Prime Minister Tony Blair, Brazilian President Fernando Henrique Cardoso, United States President Bill Clinton, Italian Prime Minister Massimo D'Alema, French Prime Minister Lionel Jospin, German Chancellor Gerhard Schroeder and President of the European Union Romano Prodi. The Director-General spoke of the need for an integrated approach to the economic and social challenges of globalization, and the responsibilities of the multilateral system to help ensure that all benefit.

The UNCTAD X speech emphasized the need to see problems through the eyes of people, and to respond to the fundamentals in their lives. The World Bank address was one of a number of initiatives to strengthen collaboration with the international economic organizations – which in the case of the World Bank is giving rise to joint work at the country level to link the Bank's comprehensive development framework with the ILO decent work agenda.

The ILO has also continued to be active in the preparation for the Special Session of the General Assembly on the implementation of the World Summit for Social Development and further initiatives. A substantial position paper was prepared for the Preparatory Committee, and the ILO is collaborating systematically with the other bodies of the United Nations system in the development of an integrated approach to the follow-up to the Social Summit, which aims to bring both economic and social goals together in a common policy framework.

5. The InFocus programmes

As a prominent part of the new programme, a number of international focus (InFocus) programmes of high priority, relevance and visibility were created in order to concentrate ILO activities for maximum impact and coverage. Some InFocus programmes are mainly built on existing activities, and are intended to reinforce their coherence and priority. Others represent new efforts to tackle issues which are expected to make major contributions to the four strategic objectives of the Organization. The design of these programmes was completed in the latter part of 1999, and the new programmes were all operational at the beginning of 2000. A brief report on the first steps taken by each programme is given here below.

InFocus Programme on Promoting the Declaration

The programme on promoting the ILO Declaration on Fundamental Principles and Rights at Work started in October 1999. Advocacy under the programme began with interventions at important events worldwide such as the ILO African Regional Meeting in Abidjan; the first Global Development Network Meeting in Bonn organized by the World Bank and other sponsors; the IPU Parliamentary Meeting in Bangkok during UNCTAD X; the OAU Tripartite Labour and Social Affairs Commission; and the first IOE meeting on the Global Compact and the Declaration. The aim is to sensitize different players at national and international levels not only to the obligations under the Declaration, but also to the need for a national examination of the extent to which the principles and rights are respected and of ways to build them into development efforts.

The first operational activities took the form of a series of tripartite workshops to launch national action plans and strategies for promoting the principles and rights in the Declaration, covering Asia and the Pacific, Africa, CIS countries and Central America. A first training course on the Declaration was held for the Gulf States; national workshops were held in Brazil and in Uganda; and in-depth technical cooperation was initiated in Benin. Other technical cooperation needs at national and subregional levels are currently being explored, and the programme is attracting important extra-budgetary financial support.

The first round of annual reports under the follow-up to the Declaration achieved a response rate of 55 per cent of the member States concerned. The newly appointed ILO Declaration Expert-Advisers (IDEA) examined the reports, making a number of recommendations for future years which were endorsed by the Governing Body in March. The first Global Report under the follow-up to the Declaration, *Your voice at work*, which covers the principles and rights of freedom of association and collective bargaining, was completed and will be discussed during a special session at the 88th Session of the Conference (2000). The launching of the report included a multimedia package featuring a CD Rom, video news release and background material, as part of a wider communication strategy.

Related activities have started in the Voluntary Private Initiatives Programme which translates the principles underlying the ILO's standards and activities into guidelines for management and company practices that promote decent work. The promotion of fundamental principles and rights at work was also boosted with the launching of the Global Compact in 1999, at the initiative of the Secretary-General, and with the participation of the ILO.

InFocus Programme on Child Labour

The InFocus Programme on Child Labour aims to build on the achievements of IPEC and to ensure greater coherence between its advocacy, research and operational functions for maximum impact. The campaign for the ratification of the Worst Forms of Child Labour, 1999 (No. 182) gained momentum and, by mid-May 2000, 16 ratifications had been recorded and the process was under way in many more countries. This represents one of the best ratification rates ever achieved for an ILO instrument. Ratifications of the Minimum Age Convention, 1973 (No. 138), also rose from 69 at the end of 1998 to 89 by mid-May 2000.

IPEC's research programme is now organized around two major themes: corporate initiatives against child labour; and the economics of eliminating child labour. Studies in each of these areas are being finalized. With respect to the statistical underpinning of the programme, IPEC's Statistical Information and Monitoring Programme on Child Labour (SIMPOC) developed a new rapid assessment approach which detects hidden child labour. It is being tested in 18 countries. SIMPOC is also involved in a recently launched ILO/UNICEF/World Bank initiative on child labour data and information collection.

At the operational level, IPEC prepared and launched a number of sectoral programmes in fisheries, mining, the footwear industry and commercial agriculture as well as activities focusing on the worst forms of child labour. The latter included a project on child trafficking in the Mekong Region and others centred on themes such as bonded labour and child domestic service. The programme continued to attract substantial resources for operational activities.

A programme audit, undertaken in the context of rapid programme expansion, revealed strengths as well as certain problem areas. To follow up, a task force was established to help implement the recommendations by June 2000 and an action plan prepared around four main themes: planning; policy; structure and work organization; and programming, evaluation, management information systems and finance operations. The results to date have included substantial progress in developing a pragmatic monitoring and evaluation system and a database on good practices.

InFocus Programme on Boosting Employment through Small Enterprise Development

This programme raises the profile of job creation in micro, small and medium enterprises as an important component of an overall strategy to promote decent work. A planning team, drawing on the participation of staff from many departments and field offices, set a strategy that concentrates the programme's efforts in areas that offer the greatest potential for scale impact: helping governments create an encouraging environment for small enterprise development; finding ways to involve small business in new markets; and invigorating local entrepreneurship training. In 2000, Sri Lanka became the latest partner in the ILO's Start Your Business Programme.

To reflect core ILO values, new research and tool development emphasize improving job quality, increasing economic opportunities for women, and bolstering associations of employers and workers in the small enterprise and informal sectors.

These strategies have resonated with some key financial partners, and extra-budgetary contributions to the programme have already tripled regular budget resources. A team of nearly 20 professionals is devoted to this work in Geneva and a series of regional consultation workshops has been launched to plan implementation of the programme in the field. The programme has also focused on advocacy at the international level. The positive results of these efforts were reflected in the recent meeting organized in Hanoi by the Committee of Donor Agencies for Small Enterprise Development which took as one of its defining themes the ILO's concern to leverage more good jobs from small enterprise development. The ILO was represented on the working group to vet case studies and presentations.

InFocus Programme on Skills, Knowledge and Employability

In consultation with other departments and field offices, a strategy was designed which aims to focus programme activities in those areas where the ILO can capture new niches of comparative advantage. The new programme includes research to address emerging issues, such as employability; competency-based training; private employment agencies; and new approaches to the school-to-work transition and lifelong learning. Policy tools are under preparation to promote youth employment and the redeployment of displaced workers, and to improve disability management in the workplace and the delivery of skills to informal sector workers.

This research and policy development, which is now under way, is complemented in the short term with technical cooperation action in the areas of skills training, vocational rehabilitation and capacity-building programmes for informal sector women workers. For example, the following have been implemented: an integrated vocational training programme addressing the needs of different target groups in Bosnia; a flexible retraining programme for the unemployed in Ukraine; and a pilot training programme for life-skills development in Zambia. Advocacy is built around the core ILO message that equal access

to skills and human capital, combined with the promotion of economic opportunities, is critical for social and economic integration.

The programme has produced a major publication on public employment services and also prepared the report for general discussion at the 88th Session of the Conference (2000): *Training for employment: Social inclusion, productivity and youth employment*. An important new initiative is a High Level Policy Network on Youth Employment, which will be officially launched by the United Nations Secretary-General at the Millennium Summit. Work on this initiative has started in collaboration with the World Bank.

InFocus Programme on Crisis Response and Reconstruction

This programme has:

- (i) developed its implementation strategy, including setting up an office-wide crisis network and a roster of consultants to facilitate the programme's mobilization of the ILO's response to the different crisis situations. External strategic partnerships have also been developed with the World Bank's post-conflict reconstruction unit, UNHCR, UNOPS and IOM. Efforts have been made to mobilize resources, without which the programme's operational work will be seriously constrained;
- (ii) started to prepare promotional materials for advocacy purposes and undertaken a number of advocacy activities – for example in respect of East Timor;
- (iii) undertaken six needs' assessment missions in countries or territories emerging from crises, including Kosovo, East Timor, Sierra Leone, Democratic Republic of Congo, Mozambique and Venezuela. These missions have generated a number of employment promotion, poverty alleviation and other programmes to address the socio-economic reintegration needs of the diverse crisis-affected groups, and to rebuild relevant institutions and damaged infrastructure;
- (iv) invested in research and development of relevant tools, including the preparation of research papers and manuals, with attention being paid, among other issues, to gender aspects of crisis. Drafts of two critical tools have been prepared: *A Manual to guide ILO's rapid needs' assessments in crisis countries*; and *Modules on generic ILO responses to the different crises*.

InFocus Programme on SafeWork

An interregional consultation, held in December 1999 with the participation of occupational safety and health institutions and employers' and workers' organizations, confirmed the priorities of the InFocus Programme on SafeWork, endorsed its direction and programme elements and created valuable partnerships.

A series of products reflected the continuing work of the programme: reports on safety and health in agriculture for the 88th Session of the Conference (2000); a code of practice on safety in the use of synthetic vitreous fibre insulation wools; extension of the database of the Information Centre; and a networking arrangement on substance abuse prevention in the workplace and the community among six major European corporations.

The first draft of the ILO Guidelines on Occupational Safety and Health Management Systems (OSH-MS) was prepared in April 2000. This ILO initiative has been endorsed internationally, notably in the context of the work of the International Standards

Organization (ISO). This exercise will be completed on the basis of consultations with ILO constituents and other interested parties, including ISO.

SafeWork provided support to member States, particularly to the countries of economic transition, in improving the effectiveness of labour inspection services through regional and national workshops and inspection system auditing. The programme also made significant contributions to the adoption of a Platform of Action on HIV/AIDS in the context of the world of work in Africa.

InFocus Programme on Socio-Economic Security

A workshop on statistical instruments was held in December 1999 which led to the development of a data bank framework incorporating seven dimensions of work-based security. Information-gathering activities have now started. To support this activity, a global network (VoiceNet) of experienced labour specialists in prominent institutions worldwide is also being set up.

Two survey instruments, the Enterprise Labour Hexibility Survey (ELFS) and the People Security Survey (PSS), further supporting the development of a knowledge base, have been designed and are progressively being implemented. The first round of the ELFS has already been completed in Ukraine and a preliminary analysis has been published. A survey has also very recently been initiated in the Philippines. The PSS has been launched in India in collaboration with the Self-Employed Women's Association (SEWA) and is shortly due to start in Ukraine.

An International Advisory Board – comprising eminent academics, development practitioners and social thinkers from various disciplines and from various regions of the world – has reviewed the conceptual basis of the programme and the strategic priorities for the 2000-01 biennium. The programme has started work on “state of the art” papers covering workfare regimes, care work, and unemployment benefits reforms.

InFocus Programme on Strengthening Social Dialogue

The starting point for the InFocus Programme on Strengthening Social Dialogue has been the dissemination among the ILO's constituents of information on innovative approaches to consultation and negotiation, showing among other things how social dialogue is a means of advancing democracy, human rights and socio-economic development. Outreach to constituents involves helping the parties to create new or adapt existing institutional machinery and processes to facilitate the conduct of meaningful social dialogue. For instance, work in Namibia, Botswana and Lesotho is helping constituents create institutions for preventing and settling disputes.

The programme is working with other departments in the Social Dialogue Sector – the Bureaux for Workers' and Employers' Activities, and the Department for Government and Labour Law and Administration – to help strengthen the social partners, as well as with labour ministries and related agencies, in order to make more effective use of social dialogue. It is collaborating with other ILO units at headquarters and in the field, notably on the substantive issues involved.

Advocacy work has already started through presentations to constituents in a regional meeting for 20 African countries and a subregional meeting in the Caribbean. These efforts are creating a renewed awareness and interest among ILO constituents who are making proposals for ILO assistance for the promotion and development of effective social dialogue, particularly at the national and enterprise levels. The implementation plan for the

programme in coming months includes both assistance to constituents to strengthen their capacity to engage in meaningful dialogue, and a research programme to broaden the quality and comparability of information on social dialogue.

6. Gender equality

The Director-General has pledged his full support to advance gender equality and to lead efforts to promote a strong consensus on this goal within the Organization. The Office's commitment and approach were defined in the Director-General's circular issued in December 1999 and in the Action Plan on gender mainstreaming. They provide the foundation for incorporating a gender perspective and internalizing gender equality in all ILO activities.

The technical sectors have taken steps to introduce gender mainstreaming as a central part of their work while maintaining important gender-specific projects. The application of the mainstreaming process could be seen, for example, in the work of a number of intersectoral groups set up to deal with issues such as HIV/Aids, statistics, crisis response and international policy – with gender being taken up as a cross-cutting theme.

Qualified women were appointed to a particularly high proportion of the senior positions that were made available by the creation of the InFocus programmes. A gender capacity-building programme has begun with the participation of managers and professional staff from all sectors. In the Programme and Budget proposals for 2000-01, an effort has been made to establish gender sensitive indicators and targets. This will allow progress to be measured more easily at all levels.

Several major publications and a symposium, held during the 277th Session of the Governing Body (March 2000), on *Decent Work for Women: The ILO's contribution to the United Nations Special Session on Beijing +5*, enhanced the ILO's visibility on equality issues. The symposium provided an opportunity to highlight links between the ILO's goal of promoting decent work for women and men and the strategic objectives of the Beijing Platform of Action. A strong common understanding emerged on how to apply the ILO's means of action and social dialogue for this purpose, and valuable recommendations were presented at the symposium for future initiatives to this end.

7. Technical cooperation and training activities

Following the discussion on technical cooperation at the 87th Session of the International Labour Conference in June 1999, the Office prepared an implementation plan for action to follow up the Conclusions adopted by the Conference. The plan, which was submitted to the Governing Body in November 1999, calls for action in three broad areas: (a) enhancing the relevance and effectiveness of technical cooperation; (b) improving the quality, visibility, effectiveness and impact of technical cooperation; and (c) strengthening partnerships.

There have been significant developments in these three areas since the beginning of 2000. First, the Office has moved towards integrating extra-budgetary-financed programmes with regular budget programmes. This has involved promoting technical cooperation activities that are clearly linked to the four strategic objectives of the Office's 2000-01 programme and budget. The consultations involving staff from field and headquarters also promoted coherence in technical cooperation programming. A new initiative was the development of a wide ranging programme for the West Bank and Gaza, which is attracting donor interest.

Second, further steps to ensure tripartite involvement in technical cooperation programmes have been taken by the field structure. In addition, the Governing Body, in March 2000, decided to have tripartite reviews of field activities in each region during the current biennium, which gives effect to the Conference Conclusions calling for the Governing Body to play an active supervisory role in the monitoring and evaluation of technical cooperation. Internally, attention was given to improving the flow of information on technical cooperation – and one measure was the dissemination of guidelines on the multi-bilateral programme in April 2000.

Third, as regards partnerships, the ILO and the UNDP sought to reinforce their working relationships with a view to defining a new strategic alliance, including through high level consultations between the Director-General of the ILO and the UNDP Administrator. The integrated programming approach mentioned above contributed to the consolidation of partnerships with certain multi-bilateral donors, resulting in substantial new commitments (recently by the Netherlands and the United States, and earlier by France) linked, in particular, to the InFocus programmes. Discussions on similar arrangements are under way with a number of other multi-bilateral partners.

In mid-1999 the International Training Centre of the ILO in Turin started a process of further aligning its organization, resources and programmes with ILO's strategic objectives and InFocus programmes. Through intensified consultation with the Organization's four sectors, the Centre is enhancing its relevance vis à vis the ILO, and the potential effects and impact of its activities. There are two salient examples. The first is the development and delivery of an integrated programme of training and other activities as a follow-up to the Declaration, reaching all three constituents. The second is the consolidation of the experiences with respect to the effectiveness and efficiency of a recent series of distance learning initiatives. Thus, the Centre is putting a major new instrument at the disposal of the Organization's strategy.

8. Support services

A concentrated effort is being made to address the systemic problems of service support for technical programmes, including the setting up of a special Management Support Facility to deal with immediate problems. Efforts continue by the support services to improve the quality of their work while identifying savings that could be used for action in favour of constituents. Progress was also made in setting service standards so that results-based budgeting techniques would be applied throughout the Office. A particular effort was devoted to the Human Resources Strategy, reflected in the papers presented to the Governing Body in November 1999 and March 2000. The former Personnel Department has been restructured and renamed the Human Resources Development Department, and a start made on introducing reforms in the personnel practices of the Office, designed to deal with a variety of issues in career development, personnel administration and efficient support to operations. Among other features of the new policy, a partnership approach, has been adopted and for the first time an agreement on collective bargaining has been signed with the Staff Union.

9. The strategic framework

The management initiatives and structural reforms described above are continuing and are being reinforced in the 2000-01 biennium. As a result of these management reforms, the Organization as a whole had a greater sense of its strategic direction. At the close of the 1998-99 biennium the first signs were already apparent of a streamlining of operations, a more transparent programme and a new climate of openness and participation within the

Office. This climate was reinforced through the holding of a Management Retreat in early May 2000, which reviewed the progress made, refined priorities and addressed problems of implementation and delivery.

The strategic objectives are also providing a starting point for longer-term planning. In the first few months of 2000, work started on the preparation of a strategic policy framework. This takes off from the Director-General's Report, *Decent work*, and aims to guide the implementation of the ideas and proposals in that document over two or more biennia. It will articulate a medium-term vision for the work of the Organization around its institutional capacity to deal with a number of key questions: improving the visibility, effectiveness and relevance of the ILO's standard-setting system; developing the knowledge base needed to support and capitalize on the new programme of the organization, including the statistical framework; developing an effective communications and partnership strategy; and integrating the different dimensions of economic and social progress within the decent work agenda.

CONTENTS

	<i>Page</i>
1. The Director-General's reform process.....	3
2. Restructuring, priority setting and management reforms.....	3
3. Promoting decent work.....	4
4. International policy developments	4
5. The InFocus programmes.....	5
6. Gender equality	10
7. Technical cooperation and training activities	10
8. Support services.....	11
9. The strategic framework.....	11