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Report VI

The role of the ILO in technical cooperation

Promoting decent work through field and country programmes

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I. Introduction

1. The changing world: Keeping pace or marking time?

1. The ILO is faced with a major challenge: how best to assist countries in achieving decent work for all in a world whose problems are increasingly complex and constantly growing? How can employment, rights, protection and dialogue be promoted in such a way as to fuel growth, reduce poverty and share the fruits of economic growth more widely while enhancing and complementing development policies in other fields? Technical cooperation plays a key role in taking to the field the values and experience of the ILO and applying them to concrete situations. How can best advantage be derived from such programmes? How should technical cooperation be decided and structured, and how is it best delivered?

2. Since the Conference discussion of 1999 the process of change in the international environment has continued unabated. The impact of globalization, the growing insecurity and the search for development models that are economically, socially and environmentally sustainable has made increasingly evident the need for an integrated approach. The many dimensions of development demand coherent and multidisciplinary solutions, and donors' perceptions and priorities have shifted rapidly.

3. The multilateral system has recognized the need to ensure synergy of action in the work of its various funds, programmes and specialized agencies so as to address the development agenda in an integrated fashion. Member States increasingly expect the United Nations system to produce consolidated responses to problems, in which the agencies complement one another. The ability of individual agencies to work as part of a team has hence become an important factor defining perceptions within the donor community. This is of particular importance in the increasingly competitive environment in which the agencies have to operate and in view of the pressing demand for a more coherent development framework in which agencies are to work together, contributing their respective added value and in a more coordinated, efficient and effective way. At the same time, member States want to see a shift in United Nations system activities to deliver cooperation at the regional and country levels.

4. For the United Nations and its agencies the impetus for these reflections took root in the Millennium Declaration (2000),¹ which established a framework on which collective action should be based. The objective of the Declaration is to promote "a comprehensive approach and a coordinated strategy – tackling many problems simultaneously across a broad front".

¹ United Nations document A/RES/55/2, <http://www.un.org/millennium/summit.htm>.

5. At the same time, a number of principles first suggested by the OECD's Development Assistance Committee in 1996 have become enshrined as fundamental to international development cooperation. These include local ownership, which means that development strategies, if they are to be sustainable, must be developed by recipient countries – their governments and people – and must reflect their priorities, rather than the priorities of donors; improved donor coordination, with recipient countries bearing the main responsibility for coordinating their development cooperation with other countries and institutions; stronger partnerships, through the development of compacts that identify the responsibilities of developing countries and their external partners, as well as those shared by all; a results-based approach, with improved monitoring and evaluation of development programmes; and greater coherence in the “non-aid” policies of industrialized countries that can have profound effects on the developing world – for example, policies on trade, investment and technology transfer.
6. To these can be added other factors of central importance to the effective use of aid: good governance, accountability and a sound policy environment as the most important determinants of aid effectiveness and development progress; enhanced capacity in public and private sectors as critical to sustainable development; and the need to engage civil society, viewed as essential to establishing clear, locally owned priorities for development cooperation and ensuring that aid investments help meet the needs of the poorest and most marginalized people in society.
7. International development policy has moved on since 1999. The targets of development efforts have been further refined. The adoption by the Bretton Woods institutions in 1999 of the poverty reduction strategy (PRS) process focused attention more closely on the urgent need to address poverty itself, with the PRS process now exerting major influence in national development policy formulation.
8. The International Conference on Financing for Development in Monterrey in 2002 was a landmark in international policy-making on mobilizing resources for development, the role of trade, increasing international financial cooperation for development, debt alleviation and enhancing the coherence and consistency of the international monetary, financial and trading systems in support of development.
9. In the Paris Declaration on Aid Effectiveness,² adopted in February 2005, donors and developing countries agreed for the first time to use indicators and targets to measure their success in making aid more effective and this practical blueprint for donors and developing countries to monitor each other's progress involves some 50 commitments. Donor countries, for example, have agreed to base any conditions on aid to developing countries on the country's own poverty reduction strategy. Other conditions would be included only when a sound justification existed. In turn, developing countries, with the assistance of donors, agreed to reform national systems wherever necessary to improve their capacity to manage development resources. Tentative targets were agreed for five of the indicators.
10. Indicators and targets are also a key feature of the Millennium Development Goals (MDGs), marking a significant shift in development practice: for the first time the United Nations has agreed on a set of measurable indices of performance.
11. In this context all international organizations have been forced to reassess their relevance to a changing world where multilateralism is no longer the preserve of

² OECD, <http://www.oecd.org/dataoecd/11/41/34428351.pdf>.

governments alone but involves many constituencies. They have been forced to look outwards, to begin to network, to advocate inclusion and participation in their work in order effectively to tackle global development challenges and to drive change.

12. For the ILO this means ensuring that constituents' needs continue to be addressed while harnessing the advantages offered by the changed perceptions in the development sphere, through a strategy that does not simply respond passively to external trends, but proactively builds on them through innovations that promote ILO interests. Close attention is necessary in order to maximize the returns on regular budget activities in pursuit of the goal of decent work through the gradual development of decent work country programmes (DWCPs).

13. The ILO is also advancing its concerns in international and national policy forums, in particular in relation to both the MDGs and poverty reduction strategies. For the ILO, tripartism is the most important asset in this regard and it has worked to ensure that the experience and views of its tripartite constituency are taken fully into account in PRS processes and in advancing the concerns of the social partners over the scant attention given to employment in the MDGs. In 2002, the ILO joined the United Nations Development Group (UNDG), thereby reaffirming its commitment to partnership within the United Nations system and to coherence and cooperation with the United Nations reform process.

14. The ILO is not just keeping pace with changes in the international sphere: at some levels it is leading this change. Not only has the ILO succeeded in retaining its core identity and strengths in what is an increasingly complex setting, it has also brought to bear its experience and values on key issues. It has taken initiatives to address the social aspects of the liberalization of international trade, including the landmark report of the World Commission on the Social Dimension of Globalization.³ This was the first attempt at structured dialogue between representatives of constituencies with different interests and opinions on the social dimension of globalization, aimed at finding common ground on a controversial and divisive subject. The report is a major contribution by the ILO and has significantly advanced debate on a highly topical issue. It remains the only internationally acknowledged report on globalization, having been discussed by the United Nations General Assembly and designated as one of the main reference documents for the World Summit of 2005. The need for an unprecedented level of policy coherence to address the special social problems created by globalization and the liberalization of international trade was one of the key findings of the Commission, thus underscoring the consensus on the need for multidisciplinary approaches to increasingly complex issues. Decent work as a global goal is one of the central recommendations made in the report.

15. The Outcome Document adopted by the 2005 World Summit marked an unprecedented leap in the global recognition – at the highest political level – of the relevance and centrality of the Decent Work Agenda for the entire international community. For the first time ever in a United Nations General Assembly Summit, the mandate, values and contemporary expression of the ILO's strategic programme priorities and focus have been given a clear and prominent place in the advancement of the overall international agenda. Moreover, Heads of State and Government have recognized the crucial role of full and productive employment and decent work for all

³ *A fair globalization – Creating opportunities for all*, ILO, Geneva, 2004, <http://www.ilo.org/wcsd>.

for international development cooperation, thus opening much wider scope for ILO technical cooperation.

2. Decent work: A global goal for a globalizing world

16. The gradual development of the decent work concept and its expression across the ILO's sectors and in the DWCPs has transformed the internal focus of the ILO's work and provided it with a central reference point in its dealings with others. Decent work has as a result won acceptance across a broad front: it is now a global goal.

17. With the adoption of the Declaration on Fundamental Principles and Rights at Work, the Worst Forms of Child Labour Convention, 1999 (No. 182), the inception of the IPEC programme and the ILO code of practice on HIV/AIDS and the world of work,⁴ the ILO has witnessed a clear growing interest – by a constantly expanding group of donor institutions – in supporting programmes that directly seek to promote the implementation of fundamental standards, particularly in the areas concerned with combating child labour, exploitation, human trafficking and discrimination, as well as the prevention of HIV/AIDS in the workplace and the legal protection of HIV-infected workers. The increasing awareness of the centrality of human rights and standards promotion generally for the work of the United Nations system enables the ILO to establish new forms of cooperation and alliances and to share its accumulated experience and practices with other partners. In the context of growing international awareness of the importance of human rights, the ILO will continue to emphasize that freedom of association and the right to collective bargaining are integral parts of basic human rights.

18. Today, the ILO technical cooperation programme is increasingly concentrated around the Decent Work Agenda and the Organization is currently implementing a portfolio of more than US\$800 million in active technical cooperation programmes and projects. Technical cooperation expenditure has grown for five consecutive years, rising to a high of US\$171 million in 2005⁵ – one-third of all ILO expenditure that year. With support from donor agencies, it covers more than 115 countries.

19. Recent commitments to substantial increases in official development assistance are encouraging and the Organisation for Economic Co-operation and Development (OECD) estimates that official development assistance to all developing countries will, if promises are kept, approach US\$130 billion annually in 2010.⁶ While there are reasons for an optimistic outlook for the future of ILO technical cooperation, there is room for improvement in the way the ILO manages technical cooperation and engages in partnerships at the country, regional and international levels. To be a credible and relevant partner in new initiatives, the ILO must focus the policy dialogue on its comparative advantages – international labour standards, tripartism and social dialogue. In a competitive aid environment, the ILO must prevent technical cooperation programmes and initiatives from losing focus or seeking to cover too wide a range of issues, which harms their impact and visibility.

⁴ ILO code of practice on HIV/AIDS and the world of work, Geneva, 2002, <http://www.ilo.org/aids>.

⁵ This comprises US\$154 million in extra-budgetary and US\$17 million in regular budget resources for technical cooperation.

⁶ OECD, "How much new aid is really new aid?", DAC News, Sep.-Oct. 2005, http://www.oecd.org/documentprint/0,2744,en_2649_33721_35317145_1_1_1_1,00.html.

20. The ILO is responding to these challenges with the introduction of DWCPs and results-based management, and closer integration of regular budget and extra-budgetary resources, among other new reform initiatives. If technical cooperation in the ILO is to remain effective in the context of a changing aid and development architecture, at a time when the demands for assistance far outnumber its capacity and resources, the ILO and its constituents must continue to invest in a more focused, innovative and ever more efficient technical cooperation programme. Capacity building and the active involvement of workers and employers at all stages of the project cycle must be reinforced and ensured.

3. Developments since 1999

21. This review of ILO technical cooperation examines recent changes in ILO field activities, takes the measure of current developments in international development policies and programmes, and seeks to enable the Conference to give guidance and direction to the Governing Body and to the Office on innovative approaches to increase the effectiveness of technical cooperation so as to promote decent work. The report follows previous such exercises conducted in 1999, 1993, 1987 and on several previous occasions in accordance with a policy of periodic reviews.

22. The points of departure for the technical cooperation programme undertaken and described in this report are the resolution and Conclusions concerning the role of the ILO in technical cooperation, adopted by the International Labour Conference in 1999. The Conclusions adopted on that occasion on the future orientation of ILO technical cooperation policy are reproduced in Appendix I.

23. In 2002 the Governing Body held a mid-term review of technical cooperation focused on the programme of action outlined in 1999.⁷ The Governing Body noted the progress achieved and the difficulties encountered that required attention. The latter included the decentralization of responsibility to the field; use of the Turin Centre; building a solid database and establishing methodologies for measuring shifts and trends in activities and resources with a view to developing partnership frameworks with the donor community and improving delivery; tracking the resources of interregional projects in least developed countries and measuring the resources different project activities devote to different components; and the need to advance work on programme design and enhance evaluation.

24. The Governing Body emphasized the need for the ILO to ensure that its Decent Work Agenda was made an integral part of the development debate and process, stressing that further work was required to ensure that the ILO's programmes were coherent and consistent with the various global and national frameworks, including the United Nations Development Assistance Frameworks (UNDAF), poverty reduction strategies and the European Commission Country Strategy Papers, as well as the internationally agreed development goals, the United Nations MDGs and the New Partnership for Africa's Development (NEPAD). It called for the definition of technical cooperation activities for the informal economy and the consideration of new modalities of implementation.

⁷ Governing Body document, GB.283/TC/1, Geneva, Mar. 2002, <http://www.ilo.org/public/english/standards/relm/gb/docs/gb283/pdf/tc-1.pdf>.

25. Finally, the Governing Body noted that the donor community had been receptive to a number of the ILO's main target areas for development cooperation, but stressed the need to ensure that programme development in these areas advanced to meet the new demands and that greater efforts in resource mobilization were needed to expand capacity and forge new partnerships.

4. Emerging trends and changing modalities: Towards decent work

26. There have been marked changes in the ILO's approach to and implementation of technical cooperation. Regular budget initiatives are now considerably more integrated with extra-budgetary activities. While the regular budget provides modest funding for specific technical cooperation programmes (RBTC), its contribution to programmes funded by extra-budgetary sources through staff time in the form of technical input, as well as technical and administrative backstopping, is often substantial. The donor community has played an increasingly important role in the ILO's technical cooperation programme, not only through direct funding of programmes and projects but also, as will be shown below, through partnerships in programme development. As recommended by the Conference in 1999, the technical cooperation programme is geared to the four strategic objectives. This section reviews major achievements under each of the objectives, providing illustrative examples of successful initiatives.

27. The prevailing trend has been to provide technical cooperation to promote the application of international labour standards and rights-based activities, confirming a tendency established before the Conference discussion of 1999 following the call by the World Summit for Social Development (Copenhagen, 1995) for all countries to ratify and apply ILO standards on fundamental human rights and conditions of work. The adoption of the Declaration on Fundamental Principles and Rights at Work in 1998 and the launch of its follow-up mechanism (2000), have created a clear means of targeting technical assistance for ILO constituents to achieve compliance with human rights, standards and principles. This led to the launch that same year of the ratification campaign for the fundamental Conventions, accompanied by offers of support from the Office to assist in ratification. As at March 2006, this campaign had resulted in more than 470 new ratifications of these eight Conventions, of which 31 are for Convention No. 87 (6.6 per cent) and 26 for Convention No. 98 (5.3 per cent).

28. The ILO has two major programmes of technical assistance dedicated especially to fundamental principles and rights at work. The International Programme on the Elimination of Child Labour (IPEC) was launched in 1992, and it has grown rapidly since then to become the biggest ILO technical cooperation programme. The second promotes the four principles enshrined in the 1998 Declaration: freedom of association and the right to collective bargaining; the elimination of forced and compulsory labour; the abolition of child labour; and the elimination of discrimination in the workplace. This trend confirms the ILO's unique approach in projecting its normative role through its operational activities and, most notably, in its technical cooperation programmes and activities.

29. Programmes in all the sectors and regions to various degrees promote the ratification and application of standards. The policy directions embedded in ILO Conventions, Recommendations, Conference resolutions and other policy instruments guide technical cooperation activities related to all four strategic objectives. The

following are of note. In addition to the work of Sector 1, which specifically addresses standards, the Employment Sector works on a variety of issues, some directly involving standards, in particular the Employment Policy Convention, 1964 (No. 122), which also underlies the Global Employment Agenda. Other standards are growing in importance, such as the Vocational Rehabilitation and Employment (Disabled Persons) Convention, 1983 (No. 159) in work on employment creation for disabled persons and the Private Employment Agencies Convention, 1997 (No. 181) and related standards. The Social Protection Sector bases its work on a broad array of standards, including those on safety and health, labour inspection and conditions of work and employment – including wages, working time, reconciling work and family responsibilities – and migrant workers. Assistance is also provided on the payment of wages, maternity protection and other areas on the rights enunciated in the standards. The International Migration Branch works directly for the implementation of the ILO's two main migration Conventions.⁸ The implementation of social security standards is also a fundamental goal of the Sector. The Social Dialogue Sector promotes the concept of social dialogue laid down in the Constitution and, for example, in the Conventions on freedom of association and collective bargaining and in the Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144). The Bureaux for Employers' and Workers' Activities provide considerable assistance to employers' organizations and trade unions around the world to achieve the effective application of these standards. The Sector also assists in the protection of particular categories of workers, such as seafarers, and has recently completed work to revise and consolidate the standards concerned and is working to implement them.

30. Some of the other changes address the challenges of an emerging global economy and rapidly evolving national needs. Assisting member States in the adaptation of national economies and national institutions to global change and fulfilling human needs in that context have been integral functions of ILO technical cooperation.

Structure of the report

31. This report first reviews the programming framework for technical cooperation, offering a more detailed examination of recent trends in the United Nations system and describing the integration of technical cooperation into the system of strategic planning and budgeting; discusses reforms in the United Nations system aimed at harmonizing activities and creating synergies and partnerships; assesses the needs of constituents; and finally describes the implementation of the decent work model in country-level planning through the new DWCPs.

32. Recent trends in partnerships are then reviewed as an innovative vehicle for delivering technical cooperation within the United Nations system and elsewhere, presenting both benefits and challenges. The potential for new forms of implementation that draw more extensively on the possibilities offered by the ILO's social partners is examined and some suggestions are made on the means of enhancing the ILO's standing in the eyes of donors and potential beneficiaries. A further section outlines needs in terms of capacity building for ILO staff and constituents in order to provide quality services and rapid response.

⁸ The Migration for Employment Convention (Revised), 1949 (No. 97), and the Migrant Workers (Supplementary Provisions) Convention, 1975 (No. 143).

33. The report then offers a detailed overview of ILO technical cooperation activities under each of the strategic objectives and describes the role of the Turin Centre and work on the cross-cutting issues of mainstreaming tripartism and gender equality.

34. The concluding chapter summarizes the main themes and invites the Conference to focus its discussion on some suggested issues.

II. The programming framework

35. This chapter examines the main factors affecting the programming of technical cooperation, both internal and external to the ILO. Increasing emphasis has been placed by the international community over the past few years on making the work of the United Nations system more harmonized, aiming at synergies and complementary efforts. At the same time there have been reforms in the United Nations system, with implications for the ILO and for the pattern of technical cooperation in general. This section pays particular attention to ILO participation and programming in the context of Common Country Assessments and United Nations Development Assistance Frameworks (CCA/UNDAF) and to the implications of the poverty reduction strategy (PRS) processes advocated by the international financial institutions.

36. A further section deals specifically with how technical cooperation is now integrated into the system of strategic planning and budgeting in the framework of results-based management. Attention is then given to the ways of responding to the needs of constituents. A final section outlines the decent work model in programming at the country level – decent work country programmes (DWCPs).

1. United Nations reform: The role of the ILO in integrated development frameworks

37. The United Nations Millennium Declaration of 2000 set in motion a process of reviewing the commitments made at the global conferences of the 1990s. This resulted, initially, in the work to develop the Millennium Development Goals (MDGs), and ultimately in the recent World Summit of September 2005, where decent work was recognized as central to efforts to eradicate poverty and realize the global development agenda, placing it on an equal footing with the MDGs and the outcomes of the global conferences, as box II.1 shows.

Box II.1

Employment and decent work, central objectives for the international community

47. We strongly support fair globalization and resolve to make the goals of full and productive employment and decent work for all including for women and young people a central objective of our relevant national and international policies as well as our national development strategies including poverty reduction strategies as part of our efforts to achieve the MDGs. These measures should also encompass the elimination of the worst forms of child labour as defined in International Labour Organization Convention No. 182 and forced labour. We also resolve to ensure full respect for the fundamental principles and rights at work.

United Nations World Summit, September 2005
Outcome Document

38. Such unprecedented support provides new momentum for the ILO's ongoing efforts and recognizes the Decent Work Agenda as central to the development agenda. It implies recognition of the ILO's ground-breaking work on the social impact of globalization and opens new avenues for the ILO and its constituents to mainstream and incorporate the Decent Work Agenda in the framework of poverty reduction strategy processes in national UNDAFs and in international policy dialogue with its major development partners, both within and outside the United Nations system.

39. The Summit Outcome Document also contains several commitments in support of other ILO objectives and priorities which merit particular attention with a view to the content of ILO programmes. These concern human rights and the rule of law; gender equality and the empowerment of women; domestic resource mobilization; increasing human capacity; good governance; small and medium-sized enterprises; employment creation; education and vocational training, especially for girls and women; sustainable development; international migration; HIV/AIDS; and the need for system-wide coherence, stronger linkages between the normative work of the United Nations system and its operational activities, and reforms aimed at a more effective, efficient, coherent, coordinated and better performing United Nations country presence.

40. It can hence be seen that, over the past few years, the importance of the social dimension to the success and sustainability of economic development has gradually gained recognition and decent work is now a shared international goal. Pressure from trade unions, some parts of civil society and dissident voices as regards the current model of globalization have generated greater public awareness of the need for people-centred policies, with the resulting obligation on political leaders to give expression to those concerns.

41. Even before the Summit of 2005, the adoption of the decent work paradigm had received broad recognition outside the ILO as the contemporary expression of the ILO's mission, as reflected in a number of significant achievements, including the following:

- The outcomes of the Extraordinary Summit of the African Union on Employment and Poverty Alleviation in Africa (Ouagadougou, September 2004) and the Fourth Summit of the Americas: "Creating Jobs to Fight Poverty and Strengthen Democratic Governance" (Mar del Plata, November 2005); and of initiatives within the European Commission and the Asian Development Bank.
- Core labour standards and the ILO Declaration on Fundamental Principles and Rights at Work have received particular attention from many ILO external partners, in particular the international financial institutions.
- The Global Compact and the Youth Employment Network have shown the relevance of ILO values in launching important global development initiatives that involve major global and national development actors (United Nations, World Bank and the business community).
- The ILO is actively involved in the PRS process in an increasing number of countries, as well as in UNDAF, the MDGs, the United Nations Development Group (UNDG) and other development frameworks.
- The ILO's observer status with the World Bank/IMF Development Committee and the International Monetary and Financial Committee has given it privileged access to this major policy forum.

- The European Union has selected the ILO as one of its strategic partners in the United Nations system.
- The Decent Work Agenda has been supported by major spiritual leaders and organizations.
- References to the Decent Work Agenda are included in the policy documents of a number of important non-governmental international organizations involved in development.
- The Decent Work Agenda has gained acceptance in many academic circles and has been embodied in many training curricula.

42. In particular, growing interest in ILO values based on its standards is now visible among the international financial institutions themselves: core labour standards have been discussed by the Executive Directors of the World Bank and recent initiatives by the International Finance Corporation and the Asian Development Bank in relation to international labour standards and similar expressions of interest by the Inter-American Development Bank demonstrate their increasing recognition of ILO values. A catalytic approach to relations with them hence offers significant returns in these areas.

(a) **Common Country Assessments (CCA);
United Nations Development Assistance
Framework (UNDAF)**

43. After a decade of stagnating or declining resources, international development cooperation was given new momentum in 2002 following the International Conference on Financing for Development in Monterrey, which brought not only new commitments from donors to increase resources, but introduced the notion of the development process as driven by a larger composite of factors, including trade, investment, debt-forgiveness and the mobilization of domestic resources, along with official development assistance. This more holistic concept of the development process also underlined the mutual responsibility and accountability of donors and recipients alike to encourage an enabling environment to make aid more effective.

44. The concept of mutual accountability and responsibility emphasizes support for national efforts and for national ownership and direction of the development process. The focus on the effective use of resources for development cooperation has resulted in national strategic plans, such as poverty reduction strategies, becoming the main common frame of reference for coordination. Accordingly, donors have pledged to harmonize and simplify their procedures by aligning their programmes with national standards for management and accounting. These commitments have been articulated in two important international meetings of recipient governments and donors – the Rome Declaration on Harmonization,¹ and the Paris Declaration on Aid Effectiveness.²

45. These developments in particular have put the United Nations system under pressure to become a more effective and unified actor on the development scene. In 1997, United Nations Secretary-General, Kofi Annan, launched a United Nations reform

¹ Rome Declaration on Harmonization, Feb. 2003, <http://www.aidharmonization.org/ah-overview/secondary-pages/why-RomeDeclaration>.

² Paris Declaration on Aid Effectiveness, Ownership, Harmonisation, Alignment, Results and Mutual Accountability, OECD, Mar. 2005, <http://www.oecd.org/dataoecd/11/41/34428351.pdf>.

process that has also been applied to the operational activities for development of the United Nations system. The aim is to forge greater unity of action out of the diverse United Nations funds and programmes and specialized agencies, particularly at national level. This reform has also been driven by decisions of the United Nations General Assembly, ECOSOC, discussions in the governing bodies of individual organizations and inter-agency machinery.

46. At the country level, unity of the United Nations system has been promoted through the strengthening of the United Nations Resident Coordinator system, with the Resident Coordinator, normally also the UNDP Resident Representative, acting as team leader of the United Nations Country Team (UNCT). Depending on the development challenges of the country, the UNCT may also be structured around a common advocacy platform. This would essentially be based on the MDGs, or human rights, and organized around thematic or sectoral groups such as HIV/AIDS, gender, poverty eradication or other issues.

47. A significant step towards a unified United Nations programme in each country has been the introduction of a system for common situation analysis and needs assessment, the CCA, leading to the preparation of a common programme platform and the UNDAF. Based on the lessons learned during the first round of CCA/UNDAF, the methodology has been further refined as a tool that more directly provides for linkages between the common programme and the specific programmes, projects and activities of each participating agency. Significantly, both the CCA and UNDAF exercises require full government involvement and are carried out with the participation of civil society partners, intended beneficiaries and other development actors active in the country. Mandatory for the United Nations funding agencies (UNDP, UNICEF, UNFPA and WFP), the UNDAF is fully integrated with the programming processes of those agencies.

48. In a participatory process with national partners, the CCA – based on a review of existing data, studies and reports by government, United Nations and other agencies – is aimed at producing an analysis of the major development challenges, opportunities and constraints of the country in terms of the mandate and capacity of the UNCT. The UNDAF then sets a number of major targets which the UNCT will accomplish, individually and collectively, over the four- to five-year programming period. These outcomes should be defined in such a way as to relate to the major goals set in national strategic plans and poverty reduction strategy papers (PRSPs). They should also represent areas where the United Nations system has a comparative advantage and the capacity to deliver. The final outcome of the process, which is undertaken through a process of dialogue and consultation with the government and other national development partners, consists of a narrative and a results matrix outlining the major outcomes and outputs to be produced, together with an indication of resource requirements, partnerships and linkages to national or other donors' programmes, as well as indicators and a monitoring and evaluation plan. The CCA/UNDAF process is quite extensive and requires the active participation of United Nations agencies over a period of some 18 months.

49. Together with the coordination arrangements under the Resident Coordinator system, the CCA/UNDAF process, which is being systematically implemented in all countries, represents a major step towards forging unity within a United Nations system consisting of agencies with widely differing mandates, operational modalities and frequently incongruous field structures. In a period of increasing competition from other development actors, which now include not only international NGOs, universities and foundations, but also bilateral agencies and the international financial institutions, it is an

attempt to ensure a common United Nations programme in each country and greater impact through the focus on a limited set of major results. The UNDAF specifically links the common results to individual agency outcomes and, as such, forms the starting point for the preparation of each participating agency's country-level programmes, while providing opportunities for greater synergy between the programmes of individual agencies and, in some cases, joint collaborative programmes. At the same time the UNDAF does not prevent an agency from responding to specific requests for assistance within its mandate, or from seeking to integrate its own programmes at the country level.

50. The ILO has participated in inter-agency discussions that have resulted in agreements on the functioning of the Resident Coordinator system and the formulation of guidelines for the CCA/UNDAF process. At the field level, the ILO not only participates in the CCA/UNDAF, but also in the formulation of poverty reduction strategies. To date, experience has been mixed in terms of promoting ILO concerns and the Decent Work Agenda. This reflects the real opportunities and benefits associated with participation in the United Nations system's programming and coordination arrangements, as well as the constraints and limitations they represent.

51. The ILO sees the benefits of and supports the rationale for a more effective and well-coordinated United Nations system that combines its accumulated experience and expertise to make greater impact on key national development challenges: it would like to cooperate with and complement the work of its partners in the United Nations system on a reciprocal basis. The gradual introduction of integrated DWCPs in various countries is a major contribution to the larger United Nations programme emerging from the CCA/UNDAF process.

52. ILO participation in the CCA/UNDAF process also allows it to involve the social partners in the consultative process and promote their interests and concerns in the framework of a larger United Nations system programme. At the same time, as a commonly owned programme, the CCA/UNDAF should engage other United Nations system partners in supporting and promoting the ILO's Decent Work Agenda. Finally, the UNDAF will increasingly be used as the framework for mobilizing resources, both from within the United Nations system and from other donors and as such will determine the flow of resources to United Nations system development cooperation. It is therefore imperative for the ILO to participate actively in the United Nations system programming process.

53. However, the sheer scope of the CCA/UNDAF exercises, which number some 30 each year, severely tests the ILO's capacity. This is compounded by the fact that the ILO does not have offices in every country. With the UNDAF focusing on four to six major results and with the whole range of United Nations agencies vying for attention to their particular sectoral or thematic concerns, there is also the risk that the ILO's objectives will not receive sufficient attention or will be dissipated or subsumed in broader programme areas that make it more difficult to ensure a distinct and identifiable contribution. This calls for a more realistic and pragmatic approach whereby the ILO fully participates throughout the process and gives priority attention to countries where the needs and priorities regarding employment and decent working conditions are particularly clear and where the conditions for a substantial major programme to be supported by the ILO are more likely to materialize.

(b) Poverty reduction strategies: ILO contributions and experience

54. Poverty reduction is a critical element of the ILO agenda. The increasing centrality of the PRS³ processes in defining priorities for internal and external resource allocations at the country level has made it necessary for the ILO to engage in and influence these processes in order to better promote the Decent Work Agenda at the national level. Through such involvement, the ILO seeks to develop and promote coherent cross-sectoral strategies and integrated frameworks for connecting the PRS and Decent Work Agenda at the national level. This approach draws on all four of the decent work strategic objectives and involves three specific goals: empowering constituents by building their capacity to engage in PRS exercises; incorporating relevant dimensions of the Decent Work Agenda into poverty reduction strategies (PRS); and influencing and developing partnerships with the other stakeholders involved in the PRS. This involves:

- *Expanding the PRS knowledge base, increasing awareness and advocacy.* This includes regular meetings of the ILO PRS Advisory Committee and annual staff training seminars for headquarters and field-based staff in Turin. Periodic meetings have been held with the World Bank, the United Nations and other donors to promote decent work as a strategic tool for poverty reduction. At the request of ILO staff and constituents, the Office has produced a reference manual on decent work and poverty reduction strategies,⁴ which is used to structure capacity building workshops and as a user-friendly reference guide. The manual reviews recent changes in development assistance and aid architecture, including the increasing allocation of donor funding into government budgets and its implications for the ILO, including the relevance of this to DWCPs. This is one of a number of tools that are now available to help constituents and staff engage in PRS processes more effectively. ACTRAV and ACT/EMP have put together resource materials for employers' and workers' groups respectively and other useful tools include a guide to the integration of gender equality in social dialogue and PRS, produced by the ILO Programme on Social Dialogue and an advocacy guidebook on decent work and poverty reduction developed by the ILO Policy Integration Department.
- *Country-level support and capacity-building work.* The Office has scaled up and broadened its PRS activities in response to specific requests from field offices and social partners and now supports PRS work in more than 15 countries. Engagement in PRS dialogue has enabled the ILO to raise its profile and visibility in a number of countries and at the same time helped enhance constituents' ability to contribute actively to policy dialogue. In general, the ILO's engagement in the PRS process at the country level has led to improved participation by constituents and has opened the scope of policy dialogue to include employment issues. More recent PRSPs are better addressing some of the weaknesses identified in earlier examples, including greater coverage of employment and equity issues. There is also evidence to

³ PRSPs are Poverty Reduction Strategy Papers, defined as the World Bank/IMF-supported national poverty reduction strategies which are in place in most low-income countries (LICs) and which were originally designed to access concessional finance and/or debt relief. Some other countries which may not be LICs have also chosen to implement national poverty reduction strategies which follow similar principles but are not necessarily used to access debt relief or concessional finance. These are usually referred to as simply poverty reduction strategies (PRS).

⁴ http://www.ilo.org/public/english/bureau/integration/download/tools/6_3_107_prsrefmanual.pdf.

suggest that key stakeholders in PRSPs, including ministries of finance and planning and donors are increasingly receptive to the Decent Work Agenda. Generally, the ILO's engagement has broadened the scope of policy options and their critical review during the PRS process. There are also examples where work on the PRS process has fostered more and better working relations both between constituents and within constituent groups. Effectiveness in PRS work requires sustained contributions over a full PRS cycle, involving inputs to the design of the strategy, its monitoring and ultimately its review and assessment. As a country-driven process, it is not time bound, since the policy dialogue process does not have a defined start and finish. The returns on the ILO's investment in PRS processes accrue in the medium term, with the orientation of policy and resources towards decent work goals. This implies a need to be focused in prioritizing ILO initiatives in given countries and establishing the links between those projects and programmes and the broader policy environment.

55. By virtue of its tripartite structure, the ILO can make a unique contribution to the PRS process. The *raison d'être* for trade unions is and always has been to give poor people access to collective power with the purpose of improving their living and working conditions. International trade union organizations and ACTRAV have in the present PRS context assisted many national trade union organizations in transferring their vast experience of organizing and using collective action to the poor in general and to informal economy workers in particular. This does not always mean direct organization into trade unions, but in many cases it involves the creation of membership-based democratic structures for the poor with the help of trade unions. Thus, the poor can also democratically influence their own fate and are not in the hands of outside organizations of often doubtful democratic character. ACTRAV projects in India, Burkina Faso and Niger are examples of giving the poor access to collective power and action.

56. Strong demand by ILO constituents for support in the PRS process and widespread recognition by donors of the ILO's work on PRS mean that the ILO's involvement in PRS work has the potential to grow and that this will increasingly be done through DWCPs. Deepening and expanding this work, however, means addressing overstretched institutional capacity and the need to supplement tight regular budget resources with new extra-budgetary funding devoted to the PRS process at the field level.

Box II.2	
Status of ILO involvement in poverty reduction strategies since 2002	
Africa	
Ethiopia	Ongoing
Ghana	Ongoing
Lesotho	Ongoing
Mali	Completed 2004
Sudan	Ongoing
United Republic of Tanzania	Second round ongoing
Asia	
Cambodia	Completed 2003
China	Completed 2005, second round expected
Indonesia	Completed 2005
Nepal	Completed 2003
Pakistan	Completed 2004
Viet Nam	Completed 2005
Yemen	Ongoing
Latin America	
Ecuador	Ongoing
Honduras	Completed 2003
Peru	Ongoing
Europe	
Kyrgyzstan	Ongoing

2. Strategic planning and budgeting: Priority setting and links with regular budget programmes

57. The ILO adopted strategic planning and budgeting and results-based management with the Programme and Budget for 2000-01. Improving performance lies at the heart of managing for results. This involves stating the objectives sought and measuring and reporting on the results achieved. Consequently, significant changes have been introduced to programming and budgeting and to reporting on programme implementation. These changes directly concern technical cooperation.

58. The programme and budget is structured around the four strategic objectives that define decent work. Operational outcomes state the results expected to be achieved under the four strategic objectives during the biennium. Each operational outcome is further specified with one or more indicators and related targets to be achieved during the biennium.

59. Resource information, combining both regular budget allocations and estimated technical cooperation expenditure, has been provided for each of the nine operational objectives since the Programme and Budget for 2000-01.

60. In the annual report on programme implementation, the ILO reports to the Governing Body on the achievements realized against each operational objective (operational outcomes will be included as of 2006).⁵ Results achieved under all sources of funding combined are included in the more detailed biennial reports on programme implementation.

61. The ILO has as a result moved towards greater integration of different funding sources, including the regular budget, regular budget technical cooperation, extra-budgetary technical cooperation, programme support income and other sources, under one single programme, budget, implementation and reporting framework based on managing for results.

62. This corresponds to the reality of ILO managers, who have to combine funding from different sources (regular budget and extra-budgetary) in pursuing the activities and outcomes detailed in the programme and budget. Each outcome's budget is a composite of different sources.

63. The Strategic Policy Framework for 2006-09 discussed by the Governing Body in November 2004⁶ identifies the integration of extra-budgetary and regular budget activities as a priority and lists a number of measures for this purpose. These include strengthening capacity in field offices to implement technical cooperation, better procedures to appraise technical cooperation proposals and stronger orientations in the programme and budget for the mobilization of extra-budgetary resources.

64. The difficulty in ensuring the adequate integration of, and a balance between, regular budget and extra-budgetary resources should not be underestimated and it is important at the same time to retain the focus on ILO priorities when donors' preferences shift.

3. Responding to constituents' needs: Helping governments, employers and workers

65. The ultimate goal of ILO technical cooperation is and remains to build the capacity of national institutions and particularly the social partners, to define and implement policies and programmes that will create a supportive environment for the effective application of international labour standards and thus at the same time promote the Decent Work Agenda.

66. The Office acts in a variety of ways to ensure that the design and delivery of its technical cooperation activities are tailored to the needs and demands of its constituents. The development and management of technical cooperation projects has now been largely decentralized to field offices to ensure their relevance to national constituents. The introduction of the decent work country programme framework offers a more formal and secure mechanism to link technical cooperation to national tripartite priorities.

⁵ Governing Body document, GB.295/PFA/13, Mar. 2006: <http://www.ilo.org/public/english/standards/relm/gb/docs/gb295/pdf/pfa-13.pdf>.

⁶ Governing Body document GB.291/PFA/9, Nov. 2004: <http://www.ilo.org/public/english/standards/relm/gb/docs/gb291/pdf/pfa-9.pdf>.

67. In addition, tripartite committees are created to oversee and advise on the planning and implementation of individual programmes or projects. This is typically the case with IPEC national committees. Existing tripartite bodies and social dialogue institutions also sometimes act as the national counterpart in project implementation. In some instances, these bodies are the direct recipients of ILO technical assistance. However, improvements are necessary with regard to the participation of tripartite bodies and national constituents should systematically be involved in project evaluation exercises.

68. Specific programmes and projects are designed to strengthen the capacity of ministries of labour to improve the depth and coverage of their labour administration functions. Others aim at supporting the capacity of employers' and workers' organizations to deliver better services to their members and to effectively represent them in policy-making and bipartite or tripartite negotiations. In the recent past, it has not always been easy to attract extra-budgetary funding for these programmes, which have tended to receive insufficient attention in national development frameworks and exercises. The Office has taken a number of steps to enhance the involvement and visibility of constituents in its technical cooperation. These include the systematic participation of the Bureaux for Employers' and Workers' Activities (ACT/EMP and ACTRAV) in donor review meetings; adding tripartism and strengthening of the social partners as one of the main criteria for project design and appraisal; introducing allocations for mainstreaming tripartism in multi-annual framework agreements with donor agencies; and, in general, support to project development by ACT/EMP, ACTRAV and employers' and workers' specialists in field offices. It is recognized that these measures have far from taken full effect and that important improvements are still needed in their practical execution. Thus the trend of decreasing extra-budgetary support for the direct strengthening of employers' and workers' organizations will be addressed with a view to persuading donors that strong, representative and capable social partners are necessary to realize the ILO's agenda in general and social dialogue in particular.

69. The Office believes that there is scope for ensuring that constituents' concerns become more visible in national development agendas and that larger volumes of resources can be mobilized as a consequence. One important area of work has been the greater involvement of ministries of labour in the definition of national development plans and PRS as well as the adequate participation of employers' and workers' organizations in consultative processes with civil society. An equally important area is the social partners' role in the negotiation and implementation of regional integration processes and free trade agreements, including the application of labour clauses and monitoring the impact of free trade on employment and labour patterns. Policy dialogue and operational cooperation have recently been initiated in this area in particular with the European Commission, with the valuable collaboration of the Turin Centre. These recent steps need to be followed closely so that they bring tangible and sustainable results.

4. Decent work at the country level

(a) Experience with decent work pilot programmes

70. Promoting the Decent Work Agenda at the country level calls for a coherent set of national policies that respond to specific economic, social, political and environmental goals and priorities. Putting this into practice is a real challenge that was taken up by the decent work pilot programme (DWPP) over the period 2002-05. The DWPP consisted in a series of pilot initiatives developed in close consultation with constituents at the country level. Implemented in eight countries – Bahrain, Bangladesh, Denmark, Ghana, Kazakhstan, Morocco, Panama and the Philippines – the DWPP demonstrated the relevance of the Decent Work Agenda to address a range of diverse country priorities and characteristics: it has also tested in practical terms how the Office and ILO constituents can integrate decent work goals into higher-level national policy agendas – national PRS, improved competitiveness in the global economy or improved governance and democratization – and use the decent work framework to develop a set of integrated policies. Practical lessons learned from the pilot experience have been analysed and widely disseminated to inform the mainstream decent work country programme (DWCP) processes. Some of the key lessons are the following:⁷

- *Social dialogue and tripartite consultations play a crucial role in building common understanding and determining the focus of the Decent Work Agenda in the light of national priorities, frameworks and capacities.* The DWPP experience has shown that the integration of decent work goals into national policy agenda is effectively achieved when government, employers and workers are actively involved in reflecting on broad priorities and in defining the national decent work agenda and its focus. Advocacy, capacity building and social dialogue around commonly shared information and data analysis have therefore been essential in identifying the principal focus, action areas and strategies to achieve the targets. This process has produced concrete goals relevant to specific national policy priorities such as poverty reduction in Ghana, industrial restructuring of the textiles and garment sector in Morocco, national responses to globalization in Bangladesh, local development in the Philippines, democratization and its related reform agenda in Bahrain, an integrated approach to social protection in Kazakhstan and labour market reform in Panama.
- *The added value of the DWPP has been to stimulate dialogue and action on a set of interconnected policy areas showing the synergies that can be achieved and the trade-offs that need to be addressed.* Policy dialogue has proven useful in bringing together the social partners and other national stakeholders to discuss the relation between economic and social policies and in generating tripartite consensus on national policies and action plans. In Panama, for example, policy dialogue resulted in the initiation of a US\$200 million employment-intensive infrastructure programme and in an agreement on the basket of goods to be used as the basis for determining the minimum wage. In Ghana, it resulted in the inclusion of the promotion of informal economy micro- and small enterprises in the national poverty reduction strategy. In Morocco, the social partners adopted a tripartite National Action Plan to boost the textiles and garment industry's competitiveness through the promotion of decent work. The ILO is supporting the implementation

⁷ For more detailed information, see <http://www.ilo.org/public/english/bureau/dwpp>.

of this National Action Plan, which has received financial support from the Government of Spain since June 2005.

- *The DWPP stimulated an internal review of the tools available in the technical sectors to support evolving country priorities and promoted practical modalities for coordinated support by field offices and headquarters technical units. Country experience identifies a number of policy issues that can only be addressed effectively from an integrated and multidisciplinary perspective, combining the knowledge and tools developed by individual programmes. New areas for integrated policy support were identified and new tools are being developed. The DWPP developed collaborative working methods to support integrated frameworks at the country level and consolidated contributions from more than a dozen units covering all four strategic objectives from the regions and headquarters.*

**(b) ILO decent work country programmes:
Framework for the future**

71. In pursuing the DWCPs, the ILO remains fully committed to participating in and contributing to the United Nations Development Assistance Framework. Its engagement in that process ensures that ILO constituents are consulted, as national stakeholders, in policy-making exercises, thereby involving them in processes that include larger groups of donors and bringing their views to bear on national programmes. Synchronization with the UNDAF exercise is hence important, since this offers a results-based approach to national development involving managerial review. The outcomes of ILO reviews form the basic elements for the planning of ILO assistance and contribution to wider development frameworks of assistance such as UNDAF and the PRS.

72. DWCPs are progressively being adopted as the framework for ILO cooperation in member States. Their explicit purpose is to concentrate ILO assistance in a limited number of areas and to target measurable or describable results. Country programme priorities (and areas of work) are determined in close consultation with constituents, taking account of the ILO programme and budget, the development priorities of the country and strategic considerations of where and how the ILO can best promote the Decent Work Agenda. For each priority, one or more country outcomes are defined that are achievable within two years (the ILO programming biennium) or in the medium term. Evaluations will also be carried out (self-evaluation and/or external assessments) to determine whether the expected outcomes have in fact been achieved and whether they have improved the situation, solved a problem, or moved in the desired direction.

73. The concentration of ILO cooperation on a limited number of areas in each member State in terms of priorities and projected outcomes has a number of implications for ILO technical cooperation. In a transitional phase, the priorities and outcomes selected tend to reflect areas in which the ILO has ongoing technical cooperation funded through extra-budgetary resources. However, in the future the ILO will be able to determine with far greater precision the areas in which there is strong demand from constituents for ILO assistance, identifying a limited number of priorities and outcomes in which the ILO can concentrate the development of its technical cooperation programme financed from extra-budgetary resources.

74. DWCPs have important implications for resource mobilization. The identification of priorities for technical assistance and extra-budgetary funding directly linked to priorities for ILO assistance in countries should be facilitated. This should help the more

timely identification of needs and thorough programming of support requirements. Regular budget technical cooperation resources could be used more strategically to prepare proposals for extra-budgetary financing.

75. Both regular budget and extra-budgetary resources will be planned, used and reported upon within a comprehensive management framework centred on achieving determined results. Performance in countries and overall performance in achieving ILO objectives will be monitored more closely to yield more useful data on achievements and bring the programming framework closer to constituents' requirements, thereby strengthening internal governance.

Box II.3

Ghana decent work pilot programme – Working out of poverty

The Ghana DWPP has been a precursor of outcome-oriented and integrated decent work country programmes in the ILO. Four out of ten Ghanaians are classified as poor and poverty reduction has been declared the top national development priority. A growing proportion of the poor depend on the informal economy for their livelihood. The DWPP has hence focused on poverty reduction, concentrating on the informal economy.

The Ghana poverty reduction strategy (GPRS) is the key national policy and resource allocation framework. The aim therefore was to have the objective of decent work reflected in the GPRS, supported by resource allocations, effective strategies and decentralized programmes for poverty reduction in the informal economy.

Since policy changes can only be brought about by the national partners, the DWPP emphasized national ownership. Since its inception in early 2002, ILO constituents have played a central role in designing, leading and implementing the programme. Most ILO technical assistance has aimed at strengthening constituents' capacity to engage in the PRS process.

For the past three years, ILO constituents have been engaged in revision of the GPRS on the basis of a tripartite consensus. The consolidated draft of the GPRS 2006-09 includes more and better jobs as an explicit goal, supported by specific programmes and funding. In seeking to influence the GPRS revision process, constituents have drawn on the policy analysis, development and testing they participated in under the DWPP. Inputs into the revised GPRS were derived from work on productivity and wages, skills development and youth employment, labour-based public works programmes, small enterprise promotion, the inclusion of persons with disabilities and local economic development.

A very encouraging sign is that in January 2005 the President declared improvements in the informal sector a priority for his second term of office. This is the central goal originally set by constituents for the DWPP in 2002 and now shared at the highest political level. The Minister for Private Sector Development has requested the DWPP to help develop the government programme for the informal economy. The Minister of Manpower, Youth and Employment has included the expansion of the DWPP's local economic development approach to 40 more districts as part of a major youth employment programme to be launched in early 2006. The President's Office, the Ghana Social Investment Fund and several donors have signalled interest in supporting the existing and future district schemes.

The DWPP has deliberately drawn on the complementarities between policy-oriented, national-level work with more hands-on, local and direct assistance in order to favour the formulation of operational and tested policies. The programme has invested about US\$1 million to date, from a wide range of sources. While it had been initiated with ILO regular budget contributions from the field and in headquarters, it would have been impossible to sustain the programme without extra-budgetary funding. Since March 2003, the main source of funding for the DWPP has been the project "Working out of poverty" under the Netherlands Partnership Programme. Project funds continue to be supplemented by RBTC and other regular budget resources, in particular significant investments in ILO staff time.

III. Partnerships for development cooperation

If economic growth is to make greater inroads against poverty, there is a need for smarter policies, more resources and closer partnerships.

United Nations Secretary-General, Kofi Annan,
High-Level Segment, ECOSOC, New York, 29 June 2005.

1. Assets and opportunities

76. The changes of the past few years, both within the ILO and in the international environment, make it necessary to review the ILO's strengths and advantages, in particular international labour standards and tripartism, and to examine how they can best be utilized to promote decent work. In doing so it is necessary to bear in mind the shifts in modalities for technical cooperation, especially at the national level, and to provide decent work with a firm strategic basis in terms of technical cooperation. The ILO, in contrast to other international organizations, was conceived at the outset as a trinity associating governments with business and trade union organizations – the real actors of the economy and crucial parties to economic and social progress in every country on an equal footing in decision- and policy-making. This aspect of the ILO merits stronger advocacy in the current development context in view of the unique advantages it offers.

77. The ILO has also acquired unique experience in fostering dialogue, balance and compromise, anchored in realism and perseverance in pursuing economic and social objectives together. Respect for divergent interests and the willingness to find concrete, sustainable solutions that serve all stakeholders are the hallmarks of the ILO's approach. Such experience should be brought to bear on the participation of civil society and especially employers' and workers' organizations, in the broader development dialogue and in activities. This approach has resulted in the adoption, and implementation, of a vast body of international labour standards. At the heart of it are eight core labour standards, widely ratified by the ILO's member States, which inspire initiatives and schemes to complement them by voluntary action addressing corporate social responsibility.

78. In addition, the ILO has acquired technical expertise in all aspects of employment, labour rights, social protection and social dialogue. This can be used for policy formulation and capacity development and to obtain technical advisory services.

79. The Office has been instrumental in promoting dialogue and joint decision-making between constituents (governments, employers' and workers' organizations) and has associated other partners and donor agencies over much of its history in support of the agenda set by its tripartite governance structure. Its technical assistance programmes first

started in the 1930s and now have worldwide coverage. Assistance to different sectors of industry, on a tripartite basis, has also been a prominent feature of this partnership approach. As development cooperation activities are concentrated at the country level, the ILO's action is being directed to support decent work country programmes (DWCPs) ensuring full ownership, national priority setting and maximal inclusion of national stakeholders.

80. All those advances and experience have been achieved through a multitude of country, sectoral and global initiatives involving tripartite decisions and active participation by ILO constituents over many years. In the light of the challenges ahead, this modality of the ILO's approach is invaluable and indispensable and it is particularly tailored to addressing the goal of decent work for all.

2. Trends in technical cooperation funding

81. This section focuses on the financial resources required for a substantial and sustained technical cooperation programme for the ILO, good enough and rich enough to help member States deal with the dual challenges of poverty reduction and the creation of productive and decent work. The following sections provide an overview of recent trends in funding and partnerships, suggest elements of a strategy for resource mobilization and describe a number of the partners and entities involved.

82. Over the last few years a marked increase in official development assistance has been noted, with important donors announcing further increases in aid for the coming years. However, these increases are not uniformly applied across the different modalities and channels of aid and the largest increases have been in bilateral assistance and certain selected multilateral institutions, notably the International Development Association. Recent years have also seen an increase in the role of private foundations and charities, often related to humanitarian emergencies and the establishment of new global funding mechanisms targeting special issues, such as the Global Fund to Fight AIDS, Tuberculosis and Malaria. With some exceptions, United Nations agencies have not benefited significantly from increases in official development assistance (ODA) and continue to suffer not only from a low level of resources, but also from the lack of predictability of these resources, which renders long-term planning more difficult. United Nations system agencies account collectively for less than 10 per cent of total development financing.

83. There is at the same time a strong drive for the United Nations system as a whole to operate in a more coordinated and complementary fashion, both at the country and global levels. The ILO is committed to contributing to this system-wide drive, as discussed below.

84. The flow of extra-budgetary resources to the ILO technical cooperation programme has grown steadily over the recent past. Compared to the period 1995-99, approvals increased by some 45 per cent during 2000-04. To put this into perspective, it should be realized that in recent years, extra-budgetary sources¹ have come to account for approximately one-third of the total expenditure incurred by the ILO.

¹ Extra-budgetary funds are now widely used beyond the initial scope of providing technical assistance to national institutions and constituents, and today encompass a broad range of research, programme development, advocacy and policy dialogue activities.

85. This increase in extra-budgetary funding is largely explained by the rapid growth of the International Programme on the Elimination of Child Labour (IPEC) and by the creation of new technical programmes in follow-up to the Declaration – particularly in the areas of forced labour and trafficking – as well as the programme on HIV/AIDS in the world of work.

86. The increase has mainly benefited a few specific areas of technical cooperation. Funding for some areas close to the ILO's core responsibilities, such as direct strengthening of the social partners, has actually decreased, both as a percentage of the total programme and in actual allocations.

87. The Office has established long-term collaboration with some 30 donor governments and agencies, and interacts with many more. Extra-budgetary resources are mainly provided by bilateral governmental agencies channelling part of their development cooperation budgets through multilateral organizations; intergovernmental institutions, such as the European Union and development banks; governments directly acquiring ILO services to support their development agenda; local government; employers' and workers' organizations; and non-state actors.

88. Public multi-bilateral donors represented approximately 88 per cent of total extra-budgetary funding in the period 2000-05. The Government of the United States accounted for almost 38 per cent of total new approvals in the same period, followed by the Netherlands, the United Kingdom, Italy and Norway. A number of new governments joined the family of ILO donors in this period, including Australia, Brazil, Czech Republic, Hungary, Republic of Korea, New Zealand and Poland.

89. There have been positive developments in levels of ODA, which reached US\$78.6 billion in 2004. Some governments have also made public commitments to raise their development budgets further, in particular the G8 countries and the European Union. A number of issues, however, must be kept in mind. The quantitative increase over the past few years is largely explained by currency fluctuations, debt write-off and emergency or humanitarian relief operations. Disbursement of ODA is often constrained as a result of national austerity policies. In the area of technical cooperation, additional resources have mostly been channelled not through the United Nations system, but rather through bilateral programmes, direct budget support and the creation of new global funds.

90. The ILO must hence adopt a proactive stance and overcome a number of constraints. Despite the fact that the Office has established solid links with most donor agencies, the ILO's role and added value in the development field is still relatively little known beyond the restricted circle of labour and social development practitioners in the donor family. This is partly the consequence of the lack of involvement of ministries other than ministries of labour in the ILO's institutional processes, in particular those responsible for determining, funding and managing development cooperation. As a result, donors' multilateral allocations to the ILO remain modest compared to those of some other specialized agencies.

91. The ILO's potential for mobilizing funds from international financial institutions and the private sector has been insufficiently realized. The momentum gained in operational activities with development banks in the 1980s was somewhat lost in the 1990s. While the ILO has maintained an active policy dialogue, particularly with the World Bank, this has not translated recently into sizeable financial support. Cooperation with non-state donors is sporadic and subject to a number of legal restrictions that sometimes discourage the pursuit of partnerships.

3. Funding and resource mobilization

92. In a report to the Governing Body in November 2004,² the Office drew attention to a number of areas for improvement in the effectiveness of its resource mobilization strategy:

- broadening and consolidating the donor resource base;
- striking a better sectoral and geographic balance in technical cooperation activities;
- ensuring the long-term continuity of technical cooperation programmes;
- promoting donor collaboration and reducing transaction costs.

93. The Office is implementing the Governing Body's recommendations on these issues and introducing innovations in the technical cooperation programming cycle as opportunities arise to negotiate new cooperation agreements or to update existing agreements with donor partners. An effective resource mobilization effort must always be tailored to the available opportunities and the specific nature of existing and potential partnerships with other agencies.

94. In the early 1990s, the central funding role of the United Nations Development Programme (UNDP) within the United Nations system began to decline, due to UNDP's own financial crisis resulting from shrinking donor contributions to its core funding and the transition to the national execution modality. Together with the other specialized agencies, the ILO has seen the share of its technical cooperation programme financed by UNDP reduced to almost negligible amounts. At the same time the distinction between funding and technical agencies has become increasingly vague. Funding agencies such as UNDP, the World Food Programme and the United Nations Population Fund (UNFPA), which had long depended on technical support from the specialized agencies, began to develop their own in-house technical competence, while also accessing technical support from a range of suppliers outside the United Nations system. At the same time, the specialized agencies successfully engaged in resource mobilization through collaborative arrangements with bilateral donors, the European Union and, to some extent, with development banks.

95. These trends have inevitably led to some degree of competition for scarce donor resources, while at the country level the UNDP country programming framework, deprived of the funding linkages to the activities of other parts of the system, has lost its role as a broad frame of reference for all United Nations system technical cooperation activities. At the same time, as highlighted above, following the United Nations Secretary-General's initiatives for United Nations reform and decisions by the General Assembly in its triennial policy reviews of operational activities for development, there has been an increasing trend to pursue greater unity and improved coordination within the United Nations system through the United Nations Resident Coordinator system and the Common Country Assessments and United Nations Development Assistance Frameworks (CCA/UNDAF) process, aligned with national strategic plans such as poverty reduction strategies (PRs).

96. As the ILO is preparing DWCPs aimed at integrating its different means of action to the particular development challenges of each country, it will also seek to integrate this approach with the CCA/UNDAF process while working with other United Nations

² Governing Body document GB.291/TC/1, Nov. 2004, <http://www.ilo.org/public/english/standards/relm/gb/docs/gb291/pdf/tc-1.pdf>.

system agencies to achieve greater complementarity and synergy. To promote the joint achievement of shared targets by United Nations agencies through combined efforts, the UNDAF will facilitate the formulation of larger integrated and collaborative programmes, involving several United Nations agencies in a combined effort. As the United Nations system evolves towards greater programmatic unity and all donors are committed to aligning their programmes behind national strategic frameworks, the UNDAF is likely to emerge as a vehicle for country-based resource mobilization, creating new partnerships both at the local and global level which will include United Nations agencies, donors and private institutions. There is hence greater opportunity for ILO constituents to take an active part in such partnerships alongside the ILO.

Box III.1

Crisis response – An ILO rapid reaction strategy

Of particular interest over the past few years has been the ILO's involvement in the international response to crises. Bringing the ILO's basic values and principles and developmental concerns to bear in a crisis context is essential both to tackle the immediate negative effects of crises and to create the conditions for a successful subsequent development process. The main emphasis of the programme is on employment-related assistance, such as the promotion of employment-intensive reconstruction and rehabilitation works, the socio-economic reintegration of crisis-affected groups, social dialogue, skills training, local economic development initiatives and the promotion of small enterprises and cooperatives. Other activities include data collection and macroeconomic analysis, gender and other equality issues, fundamental rights and social protection. As women and children are often most strongly affected by crises, they receive close attention in planning the ILO contribution to post-crisis reintegration and reconstruction processes.

When a massive earthquake off the coast of Sumatra in December 2004 triggered a series of tsunami waves, coastal regions in Asia and Africa bore the brunt of the damage. In response to this disaster, the ILO, together with the governments and employers' and workers' organizations in the four countries most affected – India, Indonesia, Sri Lanka and Thailand – fully engaged in its largest-ever effort for regional income generation and employment creation, helping to restore the employment and livelihoods of those affected.

In Indonesia the focus was on restoring basic livelihoods to the affected communities, including the establishment of four emergency employment service centres, a cash-for-work programme for infrastructure projects and skills training. The ILO also provided major inputs to UNDP and government policy documents analysing immediate needs and setting out a blueprint for recovery and reconstruction.

In Sri Lanka, the ILO focused its advice and support on developing a policy for recovery and reconstruction. This included the formulation of a cash-for-work programme and the protection of vulnerable groups, particularly the many orphaned children.

In India and Thailand, in partnership with ILO constituents and United Nations agencies, the ILO took a leadership role within the United Nations Country Team (UNCT) to help migrant workers regain productive employment. Together with the International Organization for Migration (IOM), the ILO assisted migrant workers, mostly from Myanmar, to re-establish registration documentation prior to gaining employment.

In India, the ILO has supported the social partners – employers' and workers' organizations – in their efforts to expand their services to their members and families affected to help them regain their livelihoods.

The tsunami disaster was the subject of one of the largest resource mobilization efforts of recent years. Major donors to the ILO's projects developed in response to the disaster include Belgium, Netherlands, United Kingdom (DFID), United States (USDOL) and UNDP itself.

(a) Multi-bilateral partners

97. No dramatic increase in the multilateral budget of governmental donor agencies is likely in the near future. Still, there is scope to pursue an increase in the voluntary contributions that the ILO currently receives. In this context, parallel efforts are needed to develop the Office's capacity to seize the various opportunities offered by donors' policies and modalities and to promote dialogue between ILO donors with a view to enhancing policy coherence. To this end the ILO needs to be proactive in the following areas.

- *Broadening awareness in donor agencies and donor countries of the ILO's added value in development cooperation due to its tripartite structure and standard-setting activities.* This can be pursued through targeted media campaigns, presentations of ILO programmes and policies to a broader public of government officials, employers' and workers' representatives, development agents, parliamentarians, universities and journalists. Making use of national tripartite committees in donor countries to expand the scope of the ILO's programme is often an effective strategy. This goal can also be achieved by enhancing the substantive dialogue between the ILO's and donors' technical specialists. For example, the tsunami crisis has made a strong case for the ILO to link up in a systematic manner to donor programmes and departments directly responsible for relief and emergency funding, which are often unaware of the ILO's experience and potential role in employment-friendly recovery and reconstruction. The objective here is to increase the share of multilateral funding allocated to the ILO by donor agencies, particularly in relation to segments of the Decent Work Agenda that have received little attention so far and to direct more funds to the African region. By genuinely including the social partners in the proposals submitted to donors, the ILO can clearly demonstrate its most valuable comparative advantage – tripartism.
- *Persuading multi-bilateral donors to move away from ad hoc relationships and to enter into multi-annual funding arrangements with the ILO, as well as convincing donors with which a framework agreement already exists to align it gradually to the ILO's own programming cycles and strategic priorities.* It is proposed that donor programmes run in parallel with the ILO Strategic Policy Framework's four-year cycle.
- *Promoting policy coherence among ILO donors with a view to setting priorities through a more transparent and effective process; supporting resource mobilization efforts through policy dialogue around high-priority issues, such as the social dimension of globalization; highlighting the ILO's contribution to the Millennium Development Goals (MDGs), poverty reduction and United Nations reform; reducing the transaction costs of a multitude of different operational and contractual modalities; reducing donor conditionality and enhancing the consistency of the ILO technical cooperation programme with its strategic objectives and DWCPs.*
- *Broadening the ILO's awareness of donor agencies and their interests and priorities and in particular encouraging ILO field offices to work more in partnership with local donor representatives.* In particular, the Office aims to develop its technical cooperation portfolio in the framework of DWCPs and of national development processes and priorities. This can be attained through a combination of policy guidelines, enhanced information and training for ILO

officials dealing with technical cooperation and field staff in particular. Given the potential importance of local resource mobilization, this issue is dealt with separately below.

Box III.2

Strategic approaches to donor relations: The European Union

An example of the application of such approaches can be seen in the recently initiated partnership with the European Union. The ILO subscribed to the EU/UN Financial and Administrative Framework Agreement (FAFA) in 2003 and signed a strategic partnership document with the European Commission in 2004 focusing on five common priority areas: core labour standards, with a special focus on child labour and education; corporate social responsibility and core labour standards; social dialogue; poverty reduction and employment; and migration and development.

The implementation of the partnership agreement will have to take into account the complexity of dealing with a large number of different EU Directorates-General and the decentralization process within the Commission. However, the process has provided several opportunities for a closer dialogue between the two institutions and has resulted in a substantial increase in the funds approved by the Commission for ILO implementation through a variety of windows, such as direct agreements and calls for proposals. For the future, the ILO aims to maintain and enhance its policy dialogue with the Commission in areas of mutual concern, while exploiting the funding opportunities provided by thematic budget lines in Brussels and EU programming processes at country or subregional level.

(b) Local resource mobilization

98. Donor agencies have begun decentralizing development funding and decision-making to their global networks of field representatives. Canada, Denmark, Finland, Netherlands, Norway, Sweden, Switzerland, United States and the European Union are examples of donors channelling substantial development funds through decentralized country programming mechanisms. Despite the fact that funding from UNDP at the local level has decreased dramatically over the past decades, local resource mobilization remains the most promising under-exploited source of additional extra-budgetary resources. Local resource mobilization, however, entails an entirely different approach, with ILO field offices playing a front-line role and with much greater involvement of national constituents.

99. A number of critical steps are required for successful local resource mobilization. A substantial investment in time and resources needs to be made to ensure more systematic participation by the ILO in national development frameworks and processes, particularly CCA/UNDAF and PRSs. These processes represent the main opportunity to ensure that the Decent Work Agenda is fully and visibly incorporated in national development strategies. Increasingly, this is going to be a precondition for donor funding at the country level. Over the past few years, the ILO has made a considerable investment in conceptual and operational work around PRS processes. It is essential to continue this effort to ensure that decent work concerns are placed at the core of multilateral development efforts.

100. Relationships with UNCTs and UNDP in particular, are important here. The ILO joined the United Nations Development Group in 2002 and plays an active role in a number of UNCTs. At the same time, following the sharp decline in UNDP funding of the 1990s, relations with UNDP have remained rather low key for a number of years. More recently, however, the ILO has renewed its policy dialogue with UNDP and has witnessed a surge in contributions from UNDP in its capacity as UNCT coordinator.

Several donors in fact now prefer to channel funds through UNCTs – in practice through UNDP – in order to simplify their contractual relations with United Nations organizations and to encourage United Nations teams to work more closely together. At the same time, these experiences, including the United Nations system response to the situation in Iraq and the tsunami and South Asia earthquake crises, point to the urgent need to streamline operational and contractual relations within UNCTs. In particular, there is a need to address the potential conflict of interest emanating from UNDP's dual role as coordinator and direct implementer of programmes financed by third party donors, while recognizing the role and contribution of the specialized agencies.

101. Local resource mobilization is also a critical entry point to foster cooperation with the World Bank and regional development banks. Most technical assistance projects are funded through components of loans to the recipient governments. The difficulty of reaching contractual agreements reconciling the banks' and the ILO's financial and legal regulations have prevented any expansion of such cooperation. A standard agreement exists between World Bank borrowers and United Nations agencies. The ILO will hence also seek to define standard agreements covering different operational modalities with the World Bank and to negotiate similar agreements with the regional development banks. Ultimately, it is for countries borrowing money from development banks to decide if the ILO is the suitable agency to assist in the implementation of projects in its area of expertise. Employers and workers can be instrumental in influencing governments for this purpose.

102. In general, the move towards more proactive local resource mobilization has been actively pursued by ILO field offices. While locally mobilized funds represented around 15 per cent of total approvals in 2002 and 2003, this share has risen to more than 25 per cent since then. The ILO's responses to recent natural disasters and crises, including the Indian Ocean tsunami and the South Asia earthquake, have been extraordinary examples of how ILO field offices can go beyond the call of duty to make an effective contribution to special development efforts. The ILO seeks to mainstream these positive experiences across its field structure with a view to increasing substantially the volume of donor resources negotiated locally.

(c) Other sources: Private sector, foundations and non-governmental organizations

103. While most donor governments have not yet attained the target of 0.7 per cent of their GNP for official development aid, funding from private sources for humanitarian and development purposes has surged in the last decade. Private donations to low-income countries from the United States alone, through American churches, charities, foundations, non-governmental organizations and college scholarships, reached at least US\$6.3 billion in 2003.³

104. The ILO occasionally receives funding in the form of gifts and voluntary contributions from a variety of sources other than public development agencies. These include foundations, employers' associations, trade unions, public institutions and private sector companies. Between 1996 and 2005 the ILO mobilized extra-budgetary funding for 73 projects from such sources, with a total value of over US\$17 million. This

³ *The United States and International Development: Fostering Hope Through Growth*, US Department of State, Bureau of Public Affairs, May 2005, <http://www.state.gov/r/pa/scp/2005/46948.htm>.

was however only a modest fraction of the extra-budgetary funding mobilized by the ILO in the same period.

105. The current constraints to the expansion of non-state funded programmes derive from policy and practical considerations. Unlike public donor agencies, which are limited in number and have an institutional connection with the ILO through their common membership of the Organization or the United Nations system or their participation in common development frameworks, non-state donors are numerous and heterogeneous. Linking up to non-state donors requires a systematic effort of mapping, screening and identifying areas of common interest, which means capitalizing on institutional knowledge. Dealing with non-traditional donors also requires the ILO to review its sometimes rigid administrative and financial procedures and regulations, but without compromising accountability.

106. The acceptance of private grants is subject to close scrutiny to ensure that the funds offered are from reputable organizations and individuals sharing ILO values and, as applicable, promoting the observance of ILO labour standards and principles. Commercial interests are excluded and the use of ILO experience or its logo is subject to detailed rules.

(d) Competitive bidding

107. The ILO occasionally responds to calls for proposals or competitive bidding opportunities from development banks, the European Union and some bilateral or multilateral donors. While many legal, political and organizational constraints affect the ILO's participation in tendering processes, the Office has demonstrated the competitiveness of its technical cooperation proposals by winning several awards with donors such as USDOL, the European Commission, the Arab Gulf Programme for United Nations Development Organizations (AGFUND) and the Human Security Trust Fund. In other circumstances, the Office has associated itself with the Turin Centre, which has developed considerable capacity and experience in this domain.

108. The Office will undertake a thorough assessment of the cost-effectiveness of participation in competitive processes in order to determine the criteria and resource implications of participating in the various mechanisms established by donor agencies.

4. Innovation and outreach: Partnerships for decent work

(a) Expanding the resource base

109. The global commitment to decent work at the highest political level – the World Summit of September 2005 – reflects worldwide support for making decent work a global goal. The ILO has hence embarked on efforts to advance understanding of the significance of this message and, in particular, to ensure that full account is taken of it in work to realize the internationally agreed development goals. Crucial in this respect are concerted efforts within the Office and joint action with the ILO's tripartite constituency aimed at building partnerships and coalitions with major development actors around its strategic objectives and the key areas identified in the Outcome Document. Success in building such partnerships and coalitions will be a major prerequisite for leveraging the ILO's impact in international development cooperation and within the ILO's main fields

of concern, such as the design and implementation of DWCPs and other technical cooperation activities, as well as enhancing the resource base for ILO action.

110. To this end, the ILO must promote and pursue partnerships between ILO constituents and with major development actors, support more partnerships and coordination with United Nations agencies and foster ILO donor agency partnerships for the purpose of funding the ILO's operational programmes.

111. While the funding modalities described above will continue, increases in resources from them are unlikely to be large. In view of the magnitude of the task of promoting decent work, it would hence be useful to consider other methods of operation that capitalize both on donors' growing preference for complementary efforts and on the greater willingness of other development actors to join in collaborative efforts. Here innovation is needed, which must draw on the ILO's tripartite constituency and the potential it holds for diversified forms of involvement in ILO activities through partnerships, as illustrated in box III.3.

112. The issue here is not only financial. As stated above, donors, governments and beneficiaries attach increasing importance to the ability of organizations to coordinate their work with that of others in order to maximize the benefit of investments through synergy and complementarity with the goal of policy coherence. Different disciplines can stimulate one another and bring new ways of viewing old concepts. New ideas are born, new approaches developed. Policy coherence is not possible without partnerships.

Box III.3

Partnerships: The advantages of innovation

Strategy, efficiency, impact. Partnerships offer major advantages in relation to strategy, efficiency and impact. Why? First, because they oblige partners to give greater thought to the general context of their joint efforts and hence to overall strategy and to maximizing the resources jointly available between them. Through increased outreach, partnerships enhance the political impact of joint action.

Greater accountability. Today, performance targets, indicators and hard evidence of success are increasingly demanded by the donor community, governments, beneficiaries and others financing – and receiving – development aid. Partnerships bring an increase in the importance attached to accountability and value for money, as each participant expects its partners to deliver what they promise. They can hence bring institutional and technical innovations that may result in saving financial and natural resources. Partnerships in this way help attract and mobilize financial resources more coherently and efficiently.

Versatility. Partnerships can provide advocacy functions, bringing entry to otherwise inaccessible forums. They can help develop norms and guidance on working methods that are based on broader consultation. Finally, they can help address market needs in the broadest sense, bringing together a diversity of suppliers to address a common interest.

Minimum requirements. Partnerships are effective only if certain minimum requirements are satisfied. These concern composition (especially in the ILO context), commitment, transparency and the clear division of labour. In short, the sum of working together has to be worth more than working separately – as is the case with tripartism – and this is only possible if roles are clearly defined and the relationship between the partners is both constructive and transparent. There is a need for a critical mass of commitment on each side, as well as the determination and ability among the partners to change their internal institutional culture. In particular, adequate resources must be earmarked to make the partnership work.

(b) Public-private partnerships to promote decent work for all

113. In view of the upsurge in development funding programmes from private sources worldwide and considering the ILO's unique experience in tripartite policy-making and operational action throughout its entire lifespan, it would be worth exploring the potential of public-private partnership (PPP) formulas to pursue the decent work goal, at both country and regional level. In order to address these issues and perceptions, the ILO needs to develop guidelines that make it possible for the clearance process and the governance of programmes and projects to distinguish between recognized employers' and workers' organizations, reputable non-profit foundations and private business.

114. PPP arrangements are a major innovation of the United Nations reforms of the past few years and are being recognized as a prerequisite for achieving the MDGs, since funds, expertise and outreach by United Nations agencies on their own will not suffice to meet the challenges. It is, however, also realized that such partnerships will only be a useful complement to governmental and intergovernmental action if they are owned and driven nationally and if they are managed in an appropriate and transparent manner.

115. In the areas covered by the ILO's mandate, there is scope for public-private partnerships. In a number of fields, resources and expertise can be shared to increase the scope and effectiveness of technical cooperation projects. Examples of this can be found, on a modest scale, in IPEC through its projects to combat child labour, including tobacco, cocoa-growing and agriculture in East and West Africa and several others. There is scope for similar undertakings in other thematic areas central to the Decent Work Agenda, such as the promotion of youth employment, combating HIV/AIDS at the workplace and implementing DWCPs in general.

116. For such an approach to function in full conformity with ILO policies and principles, it is essential to ensure that, in addition to the habitual safeguards of quality design and implementation and screening for acceptability of partner organizations, the requirements of tripartism and social dialogue are met.

5. Investing in technical cooperation

117. Improvements are still possible in the quality and quantity of ILO technical cooperation. Working in a more integrated fashion with other development partners presents a number of challenges, but at the same time, important opportunities to promote the Decent Work Agenda. An investment in the ILO's capacity to improve the development, packaging and marketing of its technical cooperation programmes and products must underpin its resource mobilization strategy. Areas for improvement include the scope for organizing and marketing the current panoply of technical products and projects into fewer major but more efficient and visible programmes; the design of more integrated and interdisciplinary approaches around identified target groups; the translation of DWCPs into bankable technical cooperation proposals with clear and appealing entry points; and the possibility of building communication strategies in project design and delivery.

118. A critical element of an improved approach to programme and product development is the Office-wide application of a single set of principles regarding external partnerships. Better internal coordination both at headquarters and between headquarters and field offices will result in the development, marketing and evaluation

of effective products. Strategic planning and budgeting tools will be useful in this context if they are simultaneously applied to regular budget and extra-budgetary resources.

119. As the DWCPs develop it will be possible to determine more precisely areas of strong demand from constituents and identify key areas in national priorities on which to concentrate efforts. The positive and important experience of IPEC offers a wealth of lessons learned that can be mainstreamed across the Office, some of which have helped current efforts to establish a major global programme in the field of youth employment. Such experience must be used to full effect in the ILO's efforts to tap the forecast increase in development funding.

120. The ILO will also improve its capacity to draw on its tripartite structure and tripartite constituency to market itself and its products. National tripartite committees should be supported by the ILO not only as a privileged interlocutor for determining technical cooperation needs and monitoring implementation, but also as a critical link to make the ILO's values and policies better known among national institutions and the broader public.

IV. Capacity for technical cooperation

121. The returns from technical cooperation are directly related to the involvement and commitment of all concerned. Capacity is hence an essential factor – for constituents who play a major role, technicians who deliver and those who manage the exercise and ensure coordination with partners. This chapter outlines existing and future practices that are crucial to an efficient and results-based programme. It discusses activities to develop the capacity of constituents and the current ILO programme for ILO officials. The final section examines governance issues, particularly the delivery and evaluation of technical cooperation.

1. Building and utilizing constituents' capacity

122. This section should be read in conjunction with sections III.3, III.4(b), V.6 and V.7(a), which it supplements with examples and additional information.

123. Some programmes and projects have direct or indirect training components for constituents: training modules and programmes have been developed, tested and delivered. One example is the SYNDICOOP project (Eastern and Southern Africa) whose aim was to strengthen the capacity of trade unions and cooperatives to organize informal economy workers and reduce poverty by upgrading their operations. The project has been developed through extensive discussions between representatives of the international trade union and cooperative movements, in particular the International Confederation of Trade Unions (ICFTU) and the International Cooperative Alliance (ICA), facilitated by the ILO's Bureau for Workers' Activities and the Cooperative Branch. It represents follow-up to the ILO International Symposium on Trade Unions and the Informal Sector (October 1999), where cooperative-trade union joint strategies in the informal sector were prominently featured. The project aims to provide a framework for both the strengthening of existing initiatives and for the development of new programmes to promote decent work. SYNDICOOP is supported by the Netherlands. Projects in Eastern and Southern Africa trained officials of national trade unions and cooperatives by introducing innovative ways to work systematically with informal economy groups. This approach has fostered sustainable collaboration between trade unions and cooperatives, and the established joint working committees continue to organize workers in the informal economy.

124. Electronic tools, easily distributed and updated, are an effective way of reaching constituents. A DVD and web site entitled *Reaching out to SMEs – An electronic toolkit for employers' organizations*¹ has been developed with the International Organization of Employers (IOE). The tool contains four strategic phases encompassing mini-guides and case studies that provide real-life examples of employers' organizations actively

¹ <http://learning.itcilo.org/sme/>.

representing and supporting small and medium-sized enterprises (SMEs). The tool is recognized as a useful electronic resource to help employers' groups organize, provide services and strengthen the advocacy of SMEs.

125. If development is to be sustainable, its ownership must belong to local constituents. ILO technical cooperation on local economic development (LED) has fostered the local ownership of development activities through a process of participation, exchange of ideas and coordination of local actors' initiatives to create jobs and stimulate the local economy. In Mozambique and South Africa, the LED projects helped build the capacity of local stakeholders such as local government, workers' organizations, business associations and microfinance institutions. This has resulted in the development of more coherent and responsive LED strategies. In Eastern Europe, including South Serbia, seven local economic development agencies (LEDAs) were set up and have proved a viable and sustainable mechanism to mobilize local assets. These LEDAs have improved the reconciliation process as well as the economic potential of the region by strengthening social dialogue and promoting growth-oriented SMEs.

126. The gender, poverty and employment (GPE) programme aimed at breaking the gendered poverty patterns by providing technical assistance to ILO constituents. The training is based on a standard modular package developed by the ILO, translated into several languages (Arabic, French, Spanish and Portuguese) and adapted to local contexts. The GPE modular structure allows trainers to adapt its content to many different realities.

127. The capacity-building programme on gender, poverty and employment was originally developed by the ILO, in collaboration with the Turin Centre, in response to the expanding need among ILO constituents for employment promotion programmes to combat poverty and gender inequality. Based on a set of nine training modules, the GPE aims to stimulate effective action at national level by strengthening ILO constituents' capacity and improving their options for action through policy and programme development, and by presenting them with detailed guidance on such issues as trends in poverty, gender inequality and employment, access to assets and credit, employment, skills training and social funds.

128. The programme has been active in Africa since 1999 and has recently proven an effective tool not only for providing training on topics related to poverty reduction strategies, but also as a basis for further research on GPE issues at national level, the aim being to apply this, for example, in PRSPs. Over the last year GPE has been the basis for implementing a project to strengthen gender mainstreaming in the agricultural and rural development aspects of poverty reduction strategies in Kenya, United Republic of Tanzania and Uganda. The project is being implemented by the ILO Dar es Salaam Office, in close collaboration with the East African Community (EAC), and has already resulted in the EAC proposing various strategies to address key gender, poverty and decent work challenges in agricultural development and to provide information to guide policy on future action at both country level and among EAC members.

International Training Centre of the ILO, Turin

129. The Centre has three technical programmes on strengthening the capacity of employers' and workers' organizations: the Technical Programmes on Workers' Activities (ACTRAV) and Employers' Activities (ACT/EMP, established in 2001) aim to strengthen the capacity of the leadership and activists of trade unions and employers'

organizations to provide services to their members and to function as social partners; the Technical Programme on Social Dialogue (established in 2000) promotes social dialogue as a tool for social justice, governance and democratic decision-making.

130. Since 1999 Turin's Central Fund has sponsored the participation of employers' and workers' representatives in general training activities at the Centre. Fellowships are equally distributed over selected bipartite and tripartite activities considered particularly relevant for employers' and workers' representatives.

131. Table IV.1 shows the number of employers' and workers' representatives that have participated in training activities organized by the Centre in Turin and in the field during 2000-04, illustrating the growth in the number of Central Fund fellowships from 20 in 1999 to 170 in 2005. There has been a steady progression in the number of employer and worker participants over the last five years, from a total of 903 in 2000 to 2,131 in 2004. The start of the Programme on Employers' Activities in 2001 gave a special boost.

**Table IV.1. International Training Centre of the ILO, Turin:
Employer and worker participants in group training activities, 2000-04**

	2000	2001	2002	2003	2004
Employer participants in:					
■ Employer-specific activities	0	179	146	288	278
■ Bi-tripartite activities/other activities	265	221	298	335	386
Subtotal	265	400	444	623	664
<i>As percentage of total number of Centre participants</i>	3.9%	5%	5.5%	6.4%	6.2%
Worker participants in:					
■ Worker-specific activities	433	620	804	688	952
■ Bi-tripartite activities/other activities	205	323	318	468	515
Subtotal	638	943	1 122	1 156	1 467
<i>As percentage of total number of Centre participants</i>	9.5%	11.8%	14%	11.9%	13.6%
Total, employer and worker participants	903	1 343	1 566	1 779	2 131
Total, Centre participants	6 705	7 955	8 007	9 749	10 796
Total, employer and worker participants as percentage of total number of Centre participants	13.5%	16.9%	19.6%	18.2%	19.7%

2. ILO staff: Skills and training

132. To help build the technical capacity of ILO officials, the revised Human Resources (HR) Strategy, adopted by the Governing Body at its 294th Session in November 2005, encompasses several strategic objectives that together channel efforts and resources towards improving the ILO's capacity to deliver services. The pilot Management Leadership and Development Programme (MLDP) strengthens managers' ability to coach and manage staff under their supervision. This is essential for facilitating capacity building at the operational level in the ILO's work. The second phase of the MLDP, targeted at P.4/P.5 staff, also brings the same diagnostic and support initiatives closer to technical cooperation activities. Particular attention is being given to ensuring full understanding of the basic principles underlying tripartism, both for headquarters and field staff.

133. Proposed improvements in the Office's performance management system will also provide a framework for identifying, communicating and monitoring learning and development needs, which are closely linked to operational delivery needs.

134. The revised HR Strategy contains a number of key staff development measures. Of critical importance is the increase in the level of funds directed to continuous, on-the-job learning and development in the 2006-07 biennium. These funds are located at the sectoral, departmental and field office levels and are to be used to strengthen functional and technical competence, provide specific orientation for new staff and support training for new policies and programmes. In addition, the Human Resources Development Department will take the lead on training in core and generic competencies, management competencies, general organizational orientation and individual personal development. The revised HR Strategy also focuses on building the knowledge levels and skills of officials backstopping technical cooperation work, such as middle-ranking and younger Professional staff, national officers and longer-serving technical cooperation experts.

135. The HR Strategy includes mechanisms for improving the efficiency and quality of the Office's recruitment procedures, including providing training on competency-based selection techniques, which will also help build the overall capacity of ILO officials at all levels. Technical cooperation experts and chief technical advisers should have the necessary expertise or be trained on such issues as international labour standards, tripartism and social dialogue, industrial relations, the role of the social partners in the labour world, results-based management and strategic planning.

3. Governance issues

136. Technical cooperation involves a large number of departments, units, regions and staff in a complex process that includes the formulation, design, implementation and assessment of programmes and projects. It is essential for all concerned to be aware of their responsibilities in the programme or project management cycle and play their roles competently and efficiently. This involves quality control of project proposals, streamlining operational procedures and further revision of existing operational guidelines. Good governance, understood as the institutional culture underlying the planning, adaptation and conduct of policy and activities, is hence crucial to success and maximal return on effort expended.

137. Each stage of the project cycle has a different time frame, structures and target. Hence there must be clear agreement on the results to be achieved, the modalities for measuring and monitoring results and the capacity and resources to implement what is planned. The procedures to be followed at each stage should be clearly stated and responsibilities clearly assigned.

138. The key requirements for achieving goals and ensuring sustainability of the results include a defined strategy to ensure the availability of resources and the political commitment of constituents and stakeholders, based on a shared understanding of the desired results and the full involvement of all actors at all stages of the project. The expected results and time frame must realistically reflect the technical capacity of the counterparts. If there are constraints on project duration, the objectives and expected outcome should be reviewed accordingly.

139. Regular and effective monitoring is necessary to ensure that the desired results are achieved. To ensure sustainability, constituents should assume gradual ownership during

the process of project implementation. To do so, they must have the necessary skills and tools for better planning, monitoring and management. Such needs should therefore be assessed at the project design stage and provided by the project. Effective delivery of services and support by the ILO depends on sound management.

(a) Delivery

140. Constituents and donors have always seen the delivery rate of the ILO's technical cooperation programme as an important indicator of the efficiency with which the Office manages its programmes and uses the funds that it receives in trust. The delivery rate averages between 60 and 70 per cent each year. In 1999 the Conference requested the Office to analyse delivery and a delivery control system was put in place to monitor the situation regularly. Monthly information on delivery by units and field offices has been made available on the Intranet; managers and the Senior Management Team are regularly informed of the delivery situation, problems encountered and action taken; and the Governing Body Committee on Technical Cooperation is informed annually on this question at its November sessions. Significant progress has been achieved through this delivery monitoring mechanism, but further improvements can still be made. Efficient delivery remains a top priority for the Office, as does the quality and effectiveness of its work.

(b) Evaluation

141. ILO project evaluations provide an opportunity for the Office and its funding partners to assess the appropriateness of design as it relates to the ILO's strategic and national policy frameworks and to consider the efficiency, effectiveness and sustainability of outcomes. Evaluations of projects also test underlying assumptions about their contribution to broader development goals, since it involves the participation of all constituents, beneficiaries and stakeholders.

142. Evaluations of technical cooperation programmes and projects have since 2002 been carried out in accordance with the ILO evaluation framework approved by the Governing Body in that year.² The criteria for evaluation included the relevance, efficiency, effectiveness, impact and sustainability of technical cooperation programmes and projects. Given that most of the technical cooperation programmes and projects are financed with extra-budgetary funds, donor concerns and specific requirements in the evaluation process were also incorporated.

143. All technical cooperation projects have been subjected to evaluation and, depending on the project and the agreed evaluation plan, this has taken the form of self-evaluation, independent internal evaluation, external evaluation, or a combination of such arrangements. Projects of under 18 months' duration received a final evaluation on completion; projects of between 18 and 30 months were subjected to a mid-term evaluation and final evaluation on completion; projects of over 30 months' duration had annual reviews, a mid-term review if agreed in the initial project evaluation plan and a final evaluation on completion. All technical cooperation programmes or projects with a budget of over US\$350,000 have been subjected to an independent evaluation at least once during the programme or project cycle. Independent evaluations were carried out,

² Governing Body document GB.285/PFA/10, Nov. 2002, <http://www.ilo.org/public/english/standards/relm/gb/docs/gb285/pdf/pfa-10.pdf>.

both internally and externally. In an attempt to assess longer-term effectiveness, impact and sustainability of major programmes and projects, ex-post evaluations have been carried out on a selective basis.

144. During the period 2002-05, in addition to a large number of annual reviews, more than 300 independent evaluations were carried out. More than half of them were carried out by external consultants.

145. The Office is required to submit an annual thematic evaluation on a technical cooperation issue to the Committee on Technical Cooperation. This has been done systematically and topics have included: “Training for employment”;³ “Strengthening institutions, processes, legal frameworks and capacity of tripartite constituents for tripartism and social dialogue”;⁴ “Gender issues in technical cooperation”;⁵ “HIV/AIDS and the world of work”.⁶

(i) New policy and strategic framework for evaluation

146. In response to requests by the Governing Body during discussions of the Programme and Budget proposals for 2006-07 and the Strategic Policy Framework and on the specific recommendation of the Committee on Technical Cooperation for independent evaluations to be made on a regular basis, the Office presented a new evaluation policy and strategy to the Governing Body in November 2005.⁷

147. The policy aims at strengthening evaluation practices in the ILO, including more systematic, transparent, independent and high-quality evaluations of core programmes and technical cooperation projects. The evaluation policy and framework also aims to reinforce knowledge generation and sharing of the ILO’s substantive work, while strengthening the complementarities between evaluation and other oversight and monitoring functions within the Office. The new policy also sets clearer guidelines for the consultation and participation of constituents and sharing of responsibilities within the Office in evaluation processes carried out by the ILO.

(ii) Country programme evaluation

148. Decent work country programmes (DWCPs) will be the main vehicle for the delivery of ILO services at the country level and their development and implementation can be greatly improved by timely feedback on how the Office can make the process more efficient and outcomes more effective. Country programme evaluations will hence focus on the overall package of ILO support to national partners in the pursuit of decent work for the country. Activities funded through regular and extra-budgetary resources will be reviewed.

³ Governing Body document GB.286/TC/1, Mar. 2003, <http://www.ilo.org/public/english/standards/relm/gb/docs/gb286/pdf/tc-1.pdf>.

⁴ Governing Body document GB.289/TC/1, Mar. 2004, <http://www.ilo.org/public/english/standards/relm/gb/docs/gb289/pdf/tc-1.pdf>.

⁵ Governing Body document GB.292/TC/1, Mar. 2005, <http://www.ilo.org/public/english/standards/relm/gb/docs/gb292/pdf/tc-1.pdf>.

⁶ Governing Body document GB.295/TC/2, Mar. 2006, <http://www.ilo.org/public/english/standards/relm/gb/docs/gb295/pdf/tc-2.pdf>.

⁷ Governing Body document GB.294/PFA/8/4, Nov. 2005, <http://www.ilo.org/public/english/standards/relm/gb/docs/gb294/pdf/pfa-8-4.pdf>.

(iii) **Thematic evaluation**

149. Thematic evaluations will focus on specific aspects, themes and processes, as well as specific sectors, issues or themes in ILO technical cooperation activities. Thematic evaluations provide a means for ILO technical programmes to explore in depth the effectiveness and impact of major means of action and interventions. Such evaluations can draw on the lessons learned at project level, both inside and outside the ILO. ILO technical programmes will be responsible for conducting and resourcing such thematic evaluations on a scheduled basis.

(iv) **Project evaluation**

150. At the project level, the ILO will maintain its policy of applying good practices throughout the Office. All projects will be subject to evaluation and, depending on the project and evaluation plan established therein, will continue to take the form of self-evaluation, independent evaluation, external evaluation, or a combination of such arrangements. Resources for conducting independent project evaluations will continue to be included in project budgets.

151. The Governing Body has called on the Office to monitor the evaluation process, analyse technical cooperation evaluation reports for lessons learned, troubleshoot and contribute to Office-wide databases and systems to disseminate evaluation results, good practices and reports. An important element is the need to ensure feedback of the outcomes of evaluations into the ongoing implementation process and into future programmes and projects. This is currently receiving attention.

V. Recent evolution in ILO technical cooperation

152. This chapter offers some statistical analyses of the main trends since 1999 and describes substantive work under each of the strategic objectives and in pursuit of the cross-cutting goals of tripartism and gender equality. The International Training Centre of the ILO in Turin plays a crucial role in technical cooperation and the spectrum of its work covers all four strategic objectives. Some of its major activities are outlined.

1. Facts and figures

153. This section provides the basic statistics on the ILO's technical cooperation programme and analyses its quantitative trends. A substantial portion of the ILO's work is undertaken with extra-budgetary funds, which in the framework of strategic programming and budgeting complement regular budget activities. Since 1998 the regular budget of the ILO has remained more or less constant, while between 2000 and 2004 expenditure from extra-budgetary resources increased in real terms (deflated by the percentage cost increase of the regular budget) by 51.7 per cent. The distribution of extra-budgetary resources across strategic and operational objectives is uneven, as it is among countries benefiting from ILO technical cooperation. Tables V.1 and 2 and figures V.1-5 show the extra-budgetary component of technical cooperation, focusing on approvals and on expenditure by strategic sector, region and type of assistance. More detailed figures can be found in Appendix II (Statistical annexes).

Box V.1 **Key messages**

The ILO's technical cooperation programme is in expansion:

- Annual average approvals increased from US\$106 million to US\$154 million between the periods 1995-99 and 2000-04. Approvals reached US\$176 million in 2005.
- Expenditure that had been declining during the 1990s grew at an annual average rate of 13 per cent during the period 2000-05.

The Office needs to consolidate and diversify its partnerships and donor portfolio:

- Funds from multi-bilateral donors have nearly doubled in the last five years.
- Integrated programmes have been in high demand by constituents and attracted a significant amount of funding.
- Despite the development of partnerships with several donors, extra-budgetary funding still depends largely on a limited number of them.
- Partnerships and policy dialogue with the United Nations system and the development banks have had limited results in fostering operational activities.
- Public-private alliances could be developed.

The Office needs to make every effort to arrive at a better balanced technical cooperation programme:

- Not all the components of decent work are adequately supported through operational activities.
- Programmes with and for ILO's tripartite constituency should be developed vigorously and funding sought on a priority basis.
- Demands for the ILO's services in all regions cannot be fully met.

(a) Increased approvals

154. There has been a marked increase in approvals since 1998. As table V.1 illustrates, on average yearly approvals during the period 2000-04 were US\$154 million, that is, 45 per cent higher than the corresponding figure for the period 1995-99. With US\$176 million in approvals in 2005, this upward trend is expected to continue, but at a modest rate.

Table V.1. Approvals of extra-budgetary funding

	Average 1995-99		Average 2000-04		% change
	US\$'000	(%) share	US\$'000	(%) share	
United Nations	29 895	28.3	9 130	5.9	-69.5
Multi-bilateral donors	72 415	68.5	137 576	89.5	90.0
Other sources*	3 446	3.3	7 065	4.6	105.0
Total	105 756	100.0	153 770	100.0	45.4

* Other sources include direct trust funds, non-state actors, international financial institutions and the European Union.

155. A closer look at table V.1 reveals some major changes in the amounts from different sources which, as discussed below, have had profound effects on the pattern of expenditure. UNDP used to be the major contributor to ILO technical cooperation programmes: during the 1980s and 1990s it funded about 50 per cent of all technical cooperation programmes. UNDP funding modalities for technical cooperation then changed and focused on national execution. Together with the funding problems faced by UNDP, this resulted in a reduced contribution to the ILO programme. The decline which started in the 1990s continued: during the period 2000-04, the United Nation's contribution stood at a mere 6 per cent of the total (UNDP's contribution was 4 per cent and the remaining 2 per cent came mostly from UNAIDS).

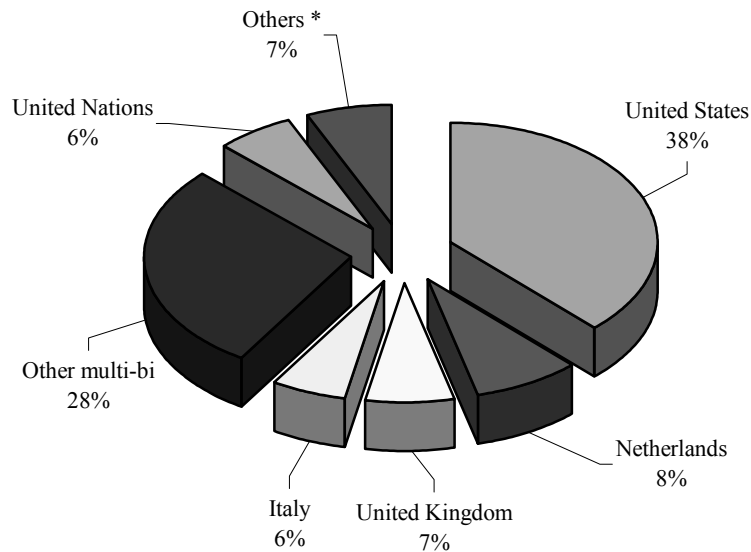
156. Fortunately, this decline in UNDP funds was more than compensated for by additional funds from multi-bilateral sources, thanks to new donor partnerships and programmes and the further development of existing ones. In addition to the large amount of funds received from USDOL, reference can be made to sizeable partnership programmes with Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom. Furthermore, in 2004 the Office also signed a partnership agreement with the European Union which provided US\$7 million for the period 2003-04, with an additional €19 million expected for 2005. Approvals from multi-bilateral donors accounted for 88 per cent of total extra-budgetary funding for the period 2000-05.

157. The development and packaging of new programmes helped the process. The Office developed major programmes, including the International Programme on the Elimination of Child Labour (IPEC), other projects related to the Declaration on Fundamental Principles and Rights at Work and ILOAIDS. These programmes met the expressed needs of constituents and at the same time were in line with donor priorities. Particular mention may be made of IPEC, for which average annual approvals over the period 2000-05 stood at US\$63 million, or some 40 per cent of all approvals.

(b) Major donors: Diversifying and enlarging the base

158. Figure V.1 provides a breakdown of approvals by major donor. The picture is dominated by a small number of donors: the United States, the Netherlands and the United Kingdom accounted for 53 per cent of the extra-budgetary resources received. This clearly points to the need for the Office to diversify its donor base. Work has begun on this issue.

Figure V.1. Average approvals by major donor 2000-05



* Others includes direct trust funds (1.4%), non-state actors (1.5%), banks (0.9%) and European Union (2.9%).

159. In line with current thinking on development cooperation, bilateral and multilateral development funds are increasingly being made available at the beneficiary country level. Responding to this, the ILO has recently entered into a growing number of partnerships with donor missions in developing countries. The significant amount of extra-budgetary resources mobilized locally between 2002 and 2005 (26 per cent of total approvals) shows the clear potential for further expansion of such local partnerships. Statistical Annex 1 shows that 68 per cent of total funds from the United Nations system were obtained locally. As for the international financial institutions, although in absolute terms the sums are small, as much as 97 per cent of the total was mobilized locally.

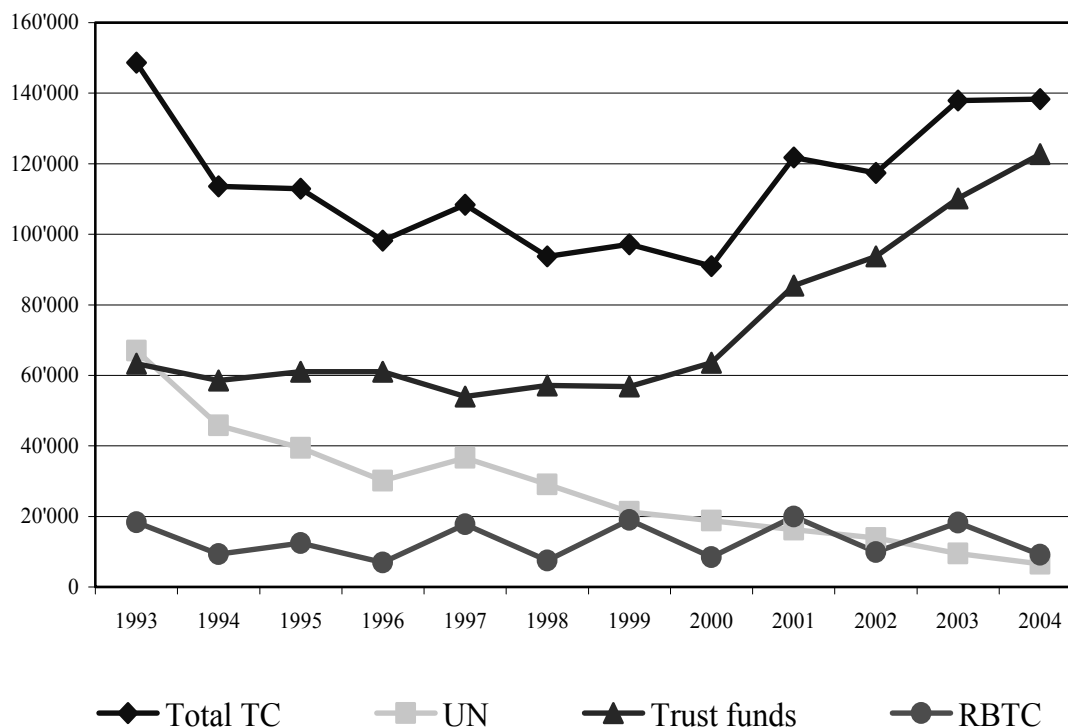
160. In this regard, it becomes ever more important for the ILO and its constituents to work together and clearly demonstrate how decent work country programmes (DWCPs) support national development frameworks such as the United Nations Development Assistance Framework (UNDAF), poverty reduction strategies (PRS) and key national development plans and to establish modalities for their execution at the national level.

(c) Expenditure

161. Figure V.2 shows technical cooperation expenditure incurred. For the period covered, technical cooperation expenditure reached its lowest level in 2000. Following the US\$91 million recorded in that year, however, expenditure increased at an annual average rate of about 13 per cent, to US\$138 million in 2003 and to US\$171 million in 2005. As would be expected, this reflects the pattern of approvals described earlier and

shows that, while the volume of funds from UNDP has decreased, it has been more than compensated for during recent years by increases in funding from multi-bilateral donors.

Figure V.2. Technical cooperation expenditure: Total and selected sources of funds (US\$'000)



162. Regular budget technical cooperation (RBTC) funds, which are normally used as seed money or for ad hoc use, have remained at a constant level for the last ten years. The amount in absolute and relative terms has remained small and there is normally greater expenditure on RBTC in the second year of each biennium, when the bulk of the project activities are implemented.

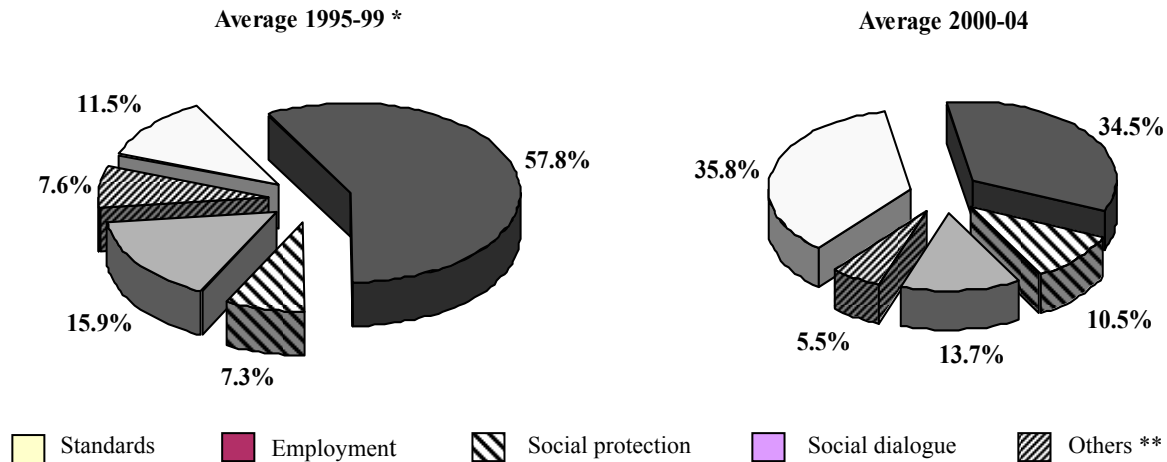
(i) Expenditure by strategic objective

163. As stated earlier, the changing pattern of levels of contributions from different donors and their priority areas for funding have had profound implications for the nature of technical cooperation in the ILO. The most striking feature has been the growing share of standards in total technical cooperation expenditure.

164. As figure V.3 shows, technical cooperation expenditure on projects to combat child labour and promote the ILO Declaration more than doubled during the period 2000-05. Expenditure on technical cooperation projects to promote greater employment opportunities for women and men to secure decent employment and income slowly recovered from a declining trend. Approvals for employment increased significantly in 2005, particularly as a result of the Office's efforts to mobilize additional resources for programmes in the tsunami-affected areas of Asia. This will translate into higher expenditure in the future.¹

¹ As at October 2005 it had reached US\$57 million compared to the yearly average of US\$37 million during the period 2000-04.

Figure V.3. Total technical cooperation expenditure by strategic objective



Notes: * Figures for 1995-99 are calculated on the basis of the previous Office structure. ** Others include cross-cutting activities, management services, miscellaneous and field offices where there is no specific technical field.

165. The share of social protection increased slightly between the two periods, from 7 to 11 per cent and total expenditure for this strategic objective doubled during the last five years to US\$17 million. The new technical cooperation programme on Strategies and Tools against Social Exclusion and Poverty (STEP) and the significant expansion of the Programme to Combat HIV/AIDS in the World of Work (ILOAIDS) explain this trend.

166. The Office has been concerned at the declining share and level of technical cooperation expenditure on strengthening tripartism and social dialogue. The share of social dialogue decreased from 16 per cent (1995-99) to 14 per cent (2000-04). As donor funding is increasingly targeted at national poverty reduction strategies and the achievement of agreed development goals, including the MDGs, it is of critical importance that the ILO and its constituents impress on the United Nations system and the donor community how social dialogue and tripartism contribute to poverty reduction processes and equitable growth.

167. The overall increase in the technical cooperation programme over the past five years is very encouraging, as is the increase in expenditure on fundamental principles and rights at work. The Office is now also striving to increase its extra-budgetary funds for the other dimensions of the Decent Work Agenda in order to arrive at a better balanced programme. It is also expected that the move towards more coherent and coordinated action within the United Nations system and the development of new partnerships at the country level will help develop operational activities in those areas where current trends are critical.

168. The above shows only general trends. It should be pointed out that the current method of recording individual project expenditure by the lead units implementing the project limits the possibilities of disaggregated analysis. Project expenditure currently entered under a single strategic sector conceals the expenditure that may have been incurred by the same project on activities for other strategic sectors. For example, although some IPEC projects are recorded under the Standards Sector, they contain elements relating to social protection, social dialogue and employment. The inadequacies of the current system of accounting expenditure are being addressed by the Office.

(ii) Expenditure by region

169. Table V.2 shows a change in the pattern of regional distribution of expenditure. Africa's share decreased from 37 to 25 per cent; that of Latin America and the Caribbean increased from 12 to 17 per cent. The share of Asia and the Pacific remained unchanged, while those of Europe and the Arab States decreased slightly.

Table V.2. Share of total technical cooperation expenditure by region (percentage)

	Average 1995-99	2000	2001	2002	2003	2004	Average 2000-04
Africa	37.3	31.2	26.9	23.8	23.4	22.9	25.2
Americas	12.3	15.7	16.5	16.8	17.4	19.3	17.3
Asia	22.6	22.8	22.0	22.7	22.4	24.2	22.9
Europe	6.6	5.7	4.9	6.5	6.4	5.2	5.7
Arab States	3.2	2.4	1.9	2.1	2.1	1.5	2.0
Interregional	18.0	22.2	27.8	28.1	28.4	26.9	26.9
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

170. Expenditure in Africa declined in the 1990s but has remained stable over the past five years, as other regions have benefited more from the increase in approvals. This situation is a source of great concern. A number of factors are responsible, concerning the history of the distribution of projects and new programmes and projects.

171. As mentioned earlier, UNDP used to be the major source of funds for ILO technical cooperation and a sizeable portion of that went to Africa. With the dramatic decrease in UNDP funding, the programme in Africa was severely affected. Employment projects and programmes had been high on the priority list not only of UNDP, but also of a large number of other donors. The focus then shifted to other areas. Since Africa was the recipient of a large proportion of employment-related projects, this shift had a negative impact on Africa's share of the total.

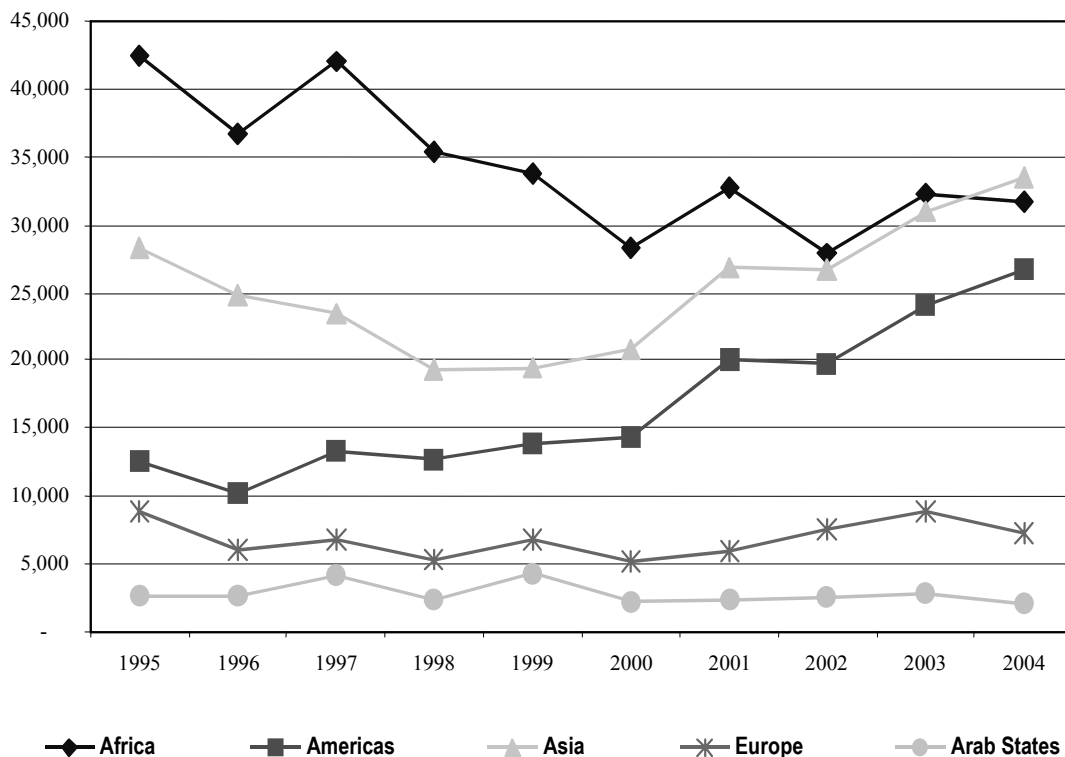
172. Africa was also late to capitalize on the largest single programme, IPEC, which accounted for some 39 per cent of total technical cooperation expenditure in 2004. Although the Office has made specific attempts to achieve more balanced regional distribution of expenditure, earlier years saw a concentration of expenditure in other regions.² HIV/AIDS is another major programme, but while projects funded by UNAIDS have had a bias in favour of Africa, the larger part of ILO expenditure from other donors has not always been in Africa. Another major programme – that for the Declaration on Fundamental Principles and Rights at Work – has since its inception incurred most expenditure in Asia and the Pacific (around US\$19 million); the Americas accounted for US\$10 million and Africa US\$9.4 million. It should be mentioned here that political instability in a number of countries in Africa has been responsible for lower implementation rates for programmes, resulting in lower expenditure.

² While expenditure by IPEC in 2000 was US\$3 million in Africa, it amounted to US\$6 million in the Americas and US\$10 million in Asia. Statistical Annex 4 illustrates the evolution of the technical cooperation programme in each region by strategic objective in the period 2000-04. It will be seen that IPEC activities in Africa had increased threefold during the previous five years, accelerating particularly since 2003.

173. It should be pointed out that the figures do not show the full picture. Two elements need to be considered. First, there has been a rapid growth in interregional projects (27 per cent during the period 2000-04). Although some of these involve activities of a global nature, such as policy, advocacy, research and core funding, many relate to country-specific activities grouped into regional or interregional projects for the sake of efficiency. Africa relies heavily on these interregional projects, which are usually managed from headquarters. An analysis of interregional approvals indicates that at least 53 per cent are for country-specific expenditure and around 24 per cent are in Africa. This alone would bring Africa's share of total expenditure to around 32 per cent in the period 2000-04, rather than the 25 per cent shown in table V.2.

174. However, this decline in Africa's share has been arrested. With development aid moving increasingly to Africa and the continuing work by the ILO in influencing the PRS processes at the country level, it is expected that the technical cooperation programme for the region will increase in the coming years. The ILO programme on HIV/AIDS is increasingly attracting constituents and donors, since it addresses a development priority for the region.

Figure V.4. Total technical cooperation expenditure by region (US\$'000)



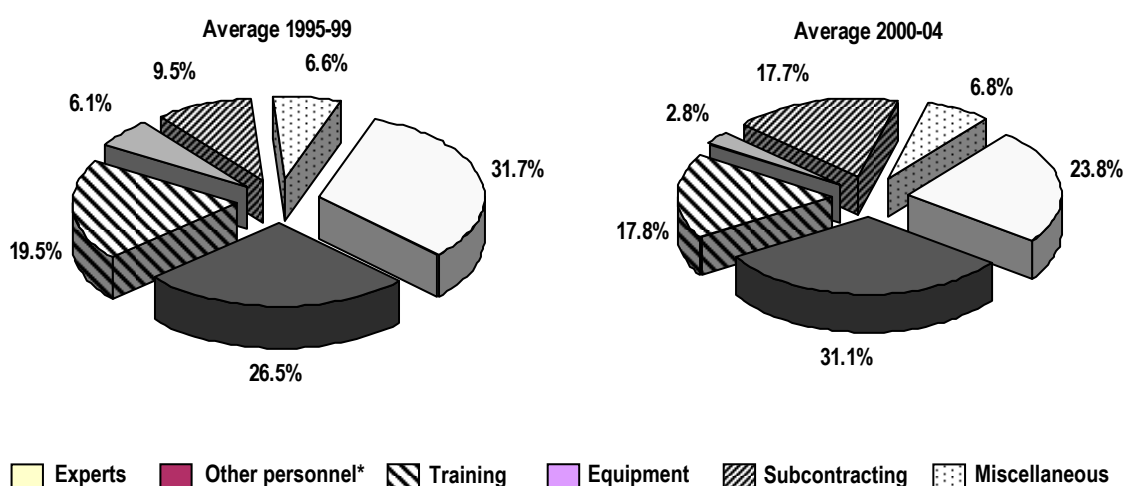
(iii) Expenditure by type of assistance

175. A number of changes can be observed. There has been a move towards more national execution and national capacity building through increased use of local expertise and the use of local institutions for project implementation. As illustrated in figure V.5, while expenditure on international experts declined throughout the period 2000-04, expenditure on other project personnel, including national experts, external collaborators and locally recruited project staff, increased to 31 per cent. The

subcontracting component also increased to nearly 18 per cent. Due to a reduction in fellowships, the training component of technical cooperation projects decreased slightly. There was also a reduction in the proportion spent on equipment; this was a reflection of changes in the generation of programmes, which involved greater expenditure on technical expertise.

176. The Office recognizes that considerable technical expertise and experience on a wide range of specializations is available among the social partners. These should be harnessed at the national and regional levels in programmes.

Figure V.5. Total technical cooperation expenditure by type of assistance



* Other personnel include national experts, external collaborators, locally recruited project staff, UN Volunteers and other staff costs.

(d) Summary

177. The last decade has seen significant changes in ILO technical cooperation. The programming framework calls for the integration of regular budget activities with those conducted with extra-budgetary funds. There have been remarkable increases in extra-budgetary funds. Following a programme approach, as requested by partners in development assistance, the ILO has implemented major flagship programmes such as IPEC. The thematic preferences of donors have changed, as has the distribution of programmes in terms of areas of assistance and regions. The ILO, taking into account the Decent Work Agenda and the overall United Nations reforms, has been proactive in trying to balance donor priorities with the demands and priorities of constituents. These are discussed in the following sections.

2. Strategic Objective No. 1: Promote and realize standards and fundamental principles and rights at work

178. The shift of the last six years towards activities with a rights focus or rights elements means that, today, half of the ILO’s technical cooperation directly addresses rights issues. Most technical cooperation resources promoting the Declaration concern one very important category: child labour.

179. This also reflects external trends. These include efforts to develop a rights-based approach to development in the international community; the growing emphasis on poverty reduction and the increasing understanding that poverty cannot be reduced without promoting rights; perceptions of globalization; and the greater visibility of global supply chains. In the case of child labour, for example, experience has shown that rights-based and development-based approaches complement each other, the former rooted in respect for children's universal rights and the latter in the adverse affects of child labour on the long-term development of human capital.

180. Other shifts in the ILO programme have spurred the move towards activities on rights. The establishment of the Decent Work Agenda and efforts to help countries establish decent work policies and programmes are grounded in the underlying fundamental standards involved. In addition, a growing body of research has begun to demonstrate that observance of fundamental workers' rights has a positive impact on development, growth, productivity and economic prosperity.

181. Over the last few years, technical cooperation projects that focus on promoting freedom of association and effective recognition of collective bargaining have succeeded in improving the legal frameworks that allow the exercise of these fundamental rights in many countries (e.g. Indonesia, United Republic of Tanzania and several West African countries). The resulting legislative reforms have placed countries in a better position to ratify fundamental Conventions (e.g. Uganda in ratifying Convention No. 87). Advocacy and capacity-building activities for governments and for employers' and workers' organizations have enhanced the ability of the social partners to attract new members (e.g. Kenya and Uganda) and that of governments to enforce national legislation (e.g. Ukraine and Morocco). Projects to promote the ILO Declaration have contributed significantly to improving industrial relations and labour management cooperation. For example, industrial relations advisory centres have been established in Viet Nam and labour advisory boards have been established in the Democratic Republic of Timor Leste and East Africa. These have in some cases resulted in an increase in the number of collective bargaining agreements (Ukraine) or a decrease in the number of strikes (Indonesia).

182. The ILO's technical cooperation activities to combat forced labour have been spearheaded by the Special Action Programme to Combat Forced Labour (SAP-FL), established in 2001.³ An expanding portfolio of projects and activities responds to requests for assistance in all parts of the world – from debt bondage of indigenous peoples in Latin America, through “re-education through labour (RETL)” and trafficking issues in China, to the forced labour faced by women migrant domestic workers from Indonesia and the Philippines. Important results to date include the creation of national commissions and action plans to fight forced labour in Bolivia and Peru; and the drafting of new legislation in China to reform the RETL system so as to enable ratification of the forced labour Conventions. In Pakistan, ILO technical assistance to the Ministry of Labour has resulted in the disbursement of the first phase of the Government's own fund for the rehabilitation of released bonded labourers, in part for the construction of low-cost housing for former bonded sharecropper households.

183. The ILO's 2004 action plan regarding the elimination of discrimination in employment and occupation has focused on the question of how to achieve equal remuneration for men and women for work of equal value, within a broader employment

³ http://www.ilo.org/dyn/declaris/DECLARATIONWEB.SAPFLHOME?var_language=EN.

agenda for gender equality; and the issue of racial and ethnic discrimination and its relationship to poverty and development. Conceptual analyses of such issues as ethnicity in Poverty Reduction Strategy Papers (PRSPs) as well as national activities on racial equality, draft legislation and policy for action in Brazil, have helped place this principle at the heart of anti-poverty and pro-employment policies. The plan of action adopted by the Fourth Summit of the Americas (Mar del Plata, November 2005),⁴ included among its first points a commitment to combat discrimination and promote equal opportunities in cooperation with the ILO. National employment strategies that promote equal opportunities for men and women in the Republic of Moldova and Albania have been developed as part of the process of accession to the European Union.

184. Policy and advisory work on employment, largely at the country level, but also at the regional and global levels carried out within the framework of the Global Employment Agenda (GEA) espouses the notion of the simultaneous promotion of rights and employment and clearly states that it “does not promote just any employment, but decent employment in which international labour standards and workers’ fundamental rights go hand in hand with job creation”. In pursuing the GEA the Office has engaged in advocacy for the core labour standards and the Employment Policy Convention, 1964 (No. 122).

(a) ILO Declaration on Fundamental Principles and Rights at Work: Global Reports and technical cooperation needs

185. The Declaration on Fundamental Principles and Rights at Work adopted in 1998 recognizes the obligation on the Organization to assist its Members, in response to their established and expressed needs: (a) by offering technical cooperation and advisory services to promote the ratification and implementation of the fundamental Conventions; (b) by assisting those Members not yet in a position to ratify in their efforts to respect, to promote and to realize the principles concerning fundamental rights which are the subject of those Conventions. The follow-up to the Declaration adds that every year, after the discussion at the International Labour Conference of the Global Report dedicated to one of the principles, the Governing Body at its following session each November adopts an action plan related to this principle for the next four years. Six action plans have been adopted since 2000: two concerning freedom of association, two on forced labour, one on discrimination and one on child labour.

186. The second Global Report on freedom of association, discussed in 2004, and the second on forced labour in 2005 gave an opportunity to examine and describe the main activities in a number of countries since 2000 and to assess those implemented in the field, and highlight both successes and failures.

187. The main activities of the InFocus Programme on Promoting the Declaration concerns labour law reform, research, studies and surveys, advocacy, strengthening the capacity of governments and of employers’ and workers’ organizations, and promoting cooperation between the social partners.

⁴ <http://www.summit-americas.org/>.

188. New labour legislation in Indonesia, Kosovo, Serbia and Montenegro, and in several French-speaking countries of West Africa has embodied the concept of fundamental principles and rights at work.⁵

189. Research, studies and surveys on forced labour are essential to provide a basis for awareness-raising activities and policy dialogue.⁶ Research on bonded labour in Pakistan provides an exemplary model of what can be achieved. Programmes have raised overall awareness of forced labour issues, including in East Asia and Latin America, and have addressed specific forced labour problems such as coercive recruitment practices, debt bondage and trafficking.

190. A project on racial equality in Brazil organized a meeting of all concerned parties in 2005, covering access to justice, education and health at work. As a result, the Brazil Department of Race Equality set up a working party, which includes the ILO, to develop an affirmative action programme concerning racial equality at work. The 2007 Global Report, which will concern discrimination, will highlight the main technical cooperation activities on this item, which addresses the various forms of discrimination.⁷

Box V.2

Forced labour: ILO standards addressing persistent violations

Although forced labour is universally condemned, the ILO estimates that at least 12.3 million people worldwide are still subjected to it. Traditional slavery is still found in some parts of Africa, while forced labour arising from coercive recruitment practices is present in many countries of Latin America and elsewhere. In numerous countries, domestic workers are trapped in situations of forced labour and, in many cases, they are restrained from leaving the employers' home through threats or violence. Bonded labour persists in South Asia, where millions of men, women and children are tied to their work through a vicious cycle of debt. In Europe and North America large numbers of women and children are victims of traffickers who sell them into forced prostitution or economic exploitation. Forced labour is sometimes still imposed as a punishment for expressing one's political views or for demanding basic labour rights such as freedom of association.

For many governments around the world the elimination of forced labour remains an important challenge for the twenty-first century. Not only is forced labour a serious violation of a fundamental human right, it is a leading cause of poverty and a hindrance to economic development. ILO standards on forced labour, in combination with targeted technical assistance, are the primary tools for combating this scourge.

191. The ILO Declaration on Fundamental Principles and Rights at Work is essentially promotional. Applying the fundamental Conventions requires not only the political will of governments, but also that of employers' and workers' organizations to enter into negotiations and reach agreements that they can all support and implement. The strengthening of labour administrations and labour inspectorates ranks alongside the strengthening of employers' and workers' organizations.

⁵ *Organizing for social justice*: Global Report under the follow-up to the ILO Declaration on Fundamental Principles and Rights at Work, International Labour Conference, 92nd Session (2004), Report I(B), Chapter 4, "Encouraging progress: Technical cooperation to strengthen and extend freedom of association and collective bargaining", <http://www.ilo.org/public/english/standards/relm/ilc/ilc92/pdf/rep-i-b.pdf>.

⁶ *A global alliance against forced labour*: Global Report under the follow-up to the ILO Declaration on Fundamental Principles and Rights at Work, International Labour Conference, 93rd Session (2005), Report I(B), Part III, "Global action to combat forced labour", <http://www.ilo.org/public/english/standards/relm/ilc/ilc93/pdf/rep-i-b.pdf>.

⁷ See *Provisional Record* No. 7, International Labour Conference, 92nd Session (2004), <http://www.ilo.org/public/english/standards/relm/ilc/ilc92/pdf/pr-7.pdf> and *Provisional Record* No. 7, International Labour Conference, 93rd Session (2005), <http://www.ilo.org/public/english/standards/relm/ilc/ilc93/pdf/pr-7.pdf>.

192. All the principles and rights included in the ILO Declaration are important. However, if employers' and workers' organizations are to play effective roles in development and in technical cooperation programmes, the full recognition and implementation of freedom of association and collective bargaining is essential. The Global Reports have shown that most technical cooperation projects include activities to strengthen employers' and workers' organizations.

(b) Complementing the ILO's supervisory machinery

193. Technical assistance and advice is complementary to the work of the ILO's supervisory machinery. It helps countries to address problems in their legislation and practice in order to bring them into line with their obligations under ratified Conventions. ILO technical assistance in the area of standards includes advisory and direct contacts missions and promotional activities, including seminars to raise awareness of standards and develop national actors' capacity to use them. The ILO also provides specific assistance in drafting national legislation that is in line with international labour standards.

194. Between 1 January 2000 and 19 September 2005, the ILO registered 743 ratifications of international labour standards, of which 317 concerned the eight fundamental Conventions, 229 of them (77 per cent) on child labour. Of the other ratifications, only 17 concerned Convention No. 87 and ten Convention No. 98. The ILO Committee of Experts on the Application of Conventions and Recommendations has issued a total of 10,661 observations and direct requests concerning the application of ILO Conventions in member States. Of these, the Committee has noted 259 cases "with satisfaction" and 1,978 cases "with interest" as regards progress made in the application of ratified Conventions. Concerning technical assistance in particular, in 697 cases during the same period the Committee of Experts referred governments to the availability of technical assistance from the Office, while the Conference Committee noted requests by governments for assistance in 55 cases. The Governing Body Committee on Freedom of Association has also, in 43 cases during this period, referred governments to the technical assistance provided by the Office. In addition, 184 requests for technical assistance were made in relation to the obligation of member States to submit instruments to the competent authorities. The absence of reports from member States or late reports which impede the functioning of the supervisory system also reflect the difficulties being encountered by some governments. However, failure to report is not always due to technical difficulties and technical assistance hence has its limits. In 2005 alone, 16 countries had not submitted reports for two years or more, while in 2004 some 40 countries did not submit reports and 924 reports were received late – 36 per cent of the reports due.

195. Through regular as well as extra-budgetary sources of funding, advisory services were provided to an increasing number of member States to assist in their reporting and other standards-related obligations, enabling them to fulfil those obligations fully or partially.⁸ Assistance related to comments by the Committee of Experts has been provided over the past few years to over 20 countries. A number of countries were provided with advice in reviewing and drafting labour legislation.

⁸ For example, assistance concerning reporting obligations was provided to Afghanistan, Bosnia and Herzegovina, Cape Verde, Haiti and Senegal.

(c) Training and information tools to promote standards

196. ILO technical cooperation in the area of standards also includes an important training component to raise awareness and understanding of international labour standards. In cooperation with the ILO Turin Centre, more than 40 training activities have been launched since 2001, more than 15 focused on freedom of association and a new training programme was recently launched in the fields of child labour and forced labour. There has also been an important focus on training for judges, lawyers, parliamentarians and law professors. Focused training has been provided in Argentina,⁹ Bosnia and Herzegovina, Brazil,¹⁰ Bulgaria, Chile, Colombia and Central America. Training activities with a sectoral component have also been conducted at the regional level in South America for the education, ports and public sectors.

197. A project focused on indigenous and tribal peoples implements a wide range of promotional activities. National projects have been initiated in Cambodia and Cameroon, and projects are ongoing in Kenya, Morocco and Nepal. In Cameroon and Nepal this involved consultations with workers' organizations. National workshops have been held. An ILO programme in Central America has developed a wealth of information and training materials related to the promotion and application of Convention No. 169. Case studies were conducted on the participation of indigenous peoples and the reflection of indigenous concerns in national poverty reduction strategy (PRS) processes and on indigenous peoples, poverty and conflict. A study was also undertaken on the legal framework for the protection of the rights of indigenous and tribal peoples in Cameroon. The recommendations from all these studies are being followed up in the context of ongoing activities and projects at the national level.

(d) International Programme on the Elimination of Child Labour (IPEC)

198. Technical cooperation under the auspices of IPEC¹¹ continued to expand at a rapid rate and activities continued in over 80 ILO member States. Compared to the period 1992-99, programme expenditure during the period 2000-05 increased by around 350 per cent.

199. During the reporting period, the ILO registered 232 ratifications (73 for the Minimum Age Convention, 1973 (No. 138) and 159 for the Worst Forms of Child Labour Convention, 1999 (No. 182), representing 77 per cent of all ratifications of those Conventions. At the end of March 2005, 159 member States had ratified Conventions Nos. 138, 143 and 182.

⁹ Since its inception in 2003, five training activities have been conducted for judges and professors.

¹⁰ A specific agreement was signed in 2004 by the Turin Centre and the International Labour Standards Department with the High Labour Court of Brazil (Tribunal Superior do Trabalho do Brasil), providing a framework for nationwide training of labour court judges in the country. To date, six targeted training activities have already been conducted.

¹¹ <http://www.ilo.org/ipec>.

Box V.3

Brazil – Child labour standards in practice

For over a dozen years, international labour standards have been used by trade unions in Brazil in the fight against child labour. In 1991 the Central Única dos Trabalhadores (CUT) created the National Commission for the Defence of the Child and Adolescents' Rights, whose main efforts have focused on enforcing the Statute of Children and Adolescents ("ECA" – Law 8069/90) and promoting the ratification of the ILO Minimum Age Convention, 1973 (No. 138). Through partnerships with the ILO's International Programme on the Elimination of Child Labour (IPEC), national and international trade unions, non-governmental organizations, research centres and social institutions, CUT has led successful efforts to include clauses on children's rights and labour in collective bargaining agreements, conducted studies and surveys to evaluate the reality of child labour exploitation in Brazil and produced radio programmes, booklets and posters as part of awareness-raising activities. These efforts have borne fruit, as Brazil recently ratified Conventions Nos. 138 and 182, thereby committing itself to eliminate child labour within an international legal framework.

200. IPEC-supported national time-bound programmes for the elimination of the worst forms of child labour were established during the period following the success of the awareness-raising and ratification campaign, and continue to be a high priority with member States; by the end of 2005, 19 such programmes were in place. Various member States have also established plans of action to eliminate the worst forms of child labour with IPEC support. Assistance was provided through national and regional programmes to develop time-bound targets in selected sectors or industries.

201. During the reporting period, over 800,000 children benefited directly from IPEC worldwide, while another 2.8 million benefited from initiatives executed by other development partners as a result of the support and advocacy provided by IPEC.

202. IPEC has supported data collection and analysis on the magnitude and characteristics of child labour through its Statistical Information and Monitoring Programme on Child Labour (SIMPOC).¹² This involved 260 child labour surveys of various types, some of national scope and others sectoral. A number of important research projects were carried out during the period, notably on the economic costs and benefits of eliminating child labour, and the impact of HIV/AIDS on child labour. New tools and manuals for surveys and technical work were developed.

203. IPEC helped raise worldwide awareness of child labour through its global campaigns on "Red Card to Child Labour"¹³ and SCREAM (Supporting Children's Rights through Education, the Arts and the Media) and its field projects.

¹² <http://www.ilo.org/public/english/standards/ipec/simpoc/>.

¹³ <http://www.ilo.org/public/english/standards/ipec/ratification/redcampaign/redcard.htm>.

Box V.4**India – Government spearheads major child labour programme**

Following the adoption of a National Child Labour Policy in 1987, the Government of India has spearheaded a major child labour elimination programme in the country through its flagship national child labour projects (NCLPs). So far some 150 NCLPs have been launched across the country to provide educational and other rehabilitation services to children withdrawn from hazardous work in industry. The programme is supported by a budgetary allocation by the Government of Rs. 6,020 million (about US\$131 million) during the Tenth Five Year Plan 2002-07 to cover 250 of the 601 districts in the country during the plan period. Through convergence with the Department of Education, Ministry of Human Resource Development Programme, “Sarva Shiksha Abhiyan” (Education for All), the Government is aiming at universal elementary education, strengthened public education and prevention of child labour. Complementing the efforts of the central Government, several major states (provincial governments) are implementing time-bound programmes for the elimination of child labour. Special child labour resource cells established in some states enforce existing laws that ban the employment of children in hazardous industries.

India has participated in IPEC since its inception in 1992. Building on that experience, a comprehensive and large-scale project on child labour – INDUS – is now being implemented by the federal and state governments, with support from IPEC in 20 districts of four large States and in the national capital territory of Delhi. The project receives equal contributions of US\$20 million each from the Government of India and the United States Department of Labor.

The project seeks to develop an integrated multi-sectoral approach through several components. These include: providing transitional education to children withdrawn from hazardous work, strengthening public education as a measure to prevent child labour, providing vocational skills training to adolescents in the 14-17 age group and income-generating opportunities to families affected by child labour.

The project has a strong focus on institution building and child labour monitoring and proposes to create participatory structures to bring together government agencies, employers, trade unions and non-governmental organizations to carry out activities in a systematic and sustained manner at all levels.

* * *

204. The ILO can play an important role in influencing the mix of policy objectives adopted by its member States if it succeeds in consolidating and promoting a basic set of core rules which draws on all families of standards as an essential element promoting decent work. One of the main objectives of ILO technical cooperation should hence be:

- to promote the ratification and application of standards through specific technical cooperation projects; and
- to ensure that broader technical cooperation initiatives by the ILO and other development partners are aligned with standards and that standards are fully integrated in such initiatives (mainstreaming).

205. Experience has shown that linking the promotion and supervision of standards to technical cooperation brings significant advantages. The Conference Committee on the Application of Standards has pointed to the technical support provided by the Office as one of the most coherent and appropriate ways of resolving outstanding issues identified by the Committee of Experts. This is reflected in the number of requests for technical assistance in concrete cases discussed by the Conference Committee in June 2005. In his reply to the Conference in 2005, the Director-General stated: “The importance attached by the Committee to technical assistance for the effective implementation of international labour standards will need to be taken on board by the Office in the delivery of its technical cooperation programmes and the implementation of the Decent

Work Agenda.” Technical cooperation programmes not only assist countries in ensuring compliance with ratified Conventions and provide valuable assistance to countries wishing to ratify Conventions; they also present opportunities, by reference to ILO standards and rights, to improve the social, economic and political infrastructure and thus governance of the development process as a whole by finding concrete ways of asserting and embedding rights at work.

206. As for IPEC, it will continue in its role as facilitator and adviser, promoting upstream policy work to help countries meet the challenges arising from the worst forms of child labour and the high demand for assistance from countries that have ratified Conventions Nos. 138 and 182. It will continue to test the potential of existing programme modalities and to explore new and innovative modalities for programme delivery and thematic technical support will continue in line with those Conventions. Attention to youth employment in the context of child labour will be invigorated by demand from constituents.

207. As a multi-donor programme, the allocation of resources to IPEC’s technical cooperation programme is constrained by several important factors, such as the requirements and absorptive capacity of recipient countries, donor priorities and the availability of new funds to support core activities. While extra-budgetary resources will allow continued expansion of the programme, IPEC continues to depend to a large extent on donor support to fund its staffing needs. IPEC will continue its focus on streamlining operations and consolidating action at the country level through well-trained and efficient country teams. The need to strengthen the social partners’ capacity to participate will also be addressed.

3. Strategic Objective No. 2: Create greater opportunities for women and men to secure decent employment and income

208. ILO technical cooperation in support of Strategic Objective No. 2 has achieved significant results. At the policy level, it has helped make decent and productive employment a central objective of macroeconomic and social policies. Successful capacity building for constituents is essential to achieve sustainable results in employment creation. Through such projects, training modules have been developed, tested and delivered to constituents. This section does not attempt any exhaustive list of projects in the field of employment, but offers only a few illustrative examples.

(a) African Union Summit on Employment and Poverty Alleviation: Employment as a poverty reduction strategy

209. ILO technical cooperation is in direct line with the outcomes of the Extraordinary Summit of Heads of State and Government of the African Union on Employment and Poverty Alleviation in Africa (Ouagadougou, September 2004) and has focused at the macroeconomic level on building broader partnerships with ministries, the Bretton Woods institutions and social partners. Technical support using regular budget funds as well as extra-budgetary sources has been provided to formulate the employment components of Poverty Reduction Strategy Papers (PRSPs) and to help reorient

investment towards employment creation. Support has been provided to the reform of cooperative legislation, the development of labour market indicators, the development of microfinance institutions and through the Employment Intensive Investment Programme (EIIP). A successful impact has been achieved at the policy level through implementation of the Ghana decent work pilot programme (see above, box II.3).

(b) **National and regional employment strategies:
Providing guidance to key policy-makers**

210. The ILO has helped government policy-makers and the social partners to formulate national employment strategies and action plans. The contribution of the regular budget of the ILO in terms of staff time was an important component in this exercise. The Cabinet of Ministers of Azerbaijan adopted a national employment strategy developed with ILO technical assistance covering the vocational training system, small business promotion policy and social protection in relation to employment. Kazakhstan and Kyrgyzstan adopted national economic strategies and action plans developed with ILO technical assistance. The ILO also assisted the development of comprehensive employment strategies in a number of countries in Asia and the Pacific, including Bangladesh, Cambodia, Indonesia, Lao People's Democratic Republic, Mongolia, Nepal, Pakistan, Sri Lanka and Viet Nam. In India the ILO supported the Government in implementation of the national common minimum programme.

211. In the Americas, the ILO has helped improve employment policies through a better evaluation of the employment situation and the different policy alternatives available. In April 2004, a report on "Generating Decent Work in MERCOSUR" was prepared at the request of the Socio-Labour Committee of MERCOSUR. The document was discussed with constituents at the tripartite level, which resulted in a high-level group being created to prepare the MERCOSUR employment strategy now supported by the ILO.

Box V.5

**Key assets for monitoring productive employment with
reliable indicators – The Labour Market Indicators Library**

The Labour Market Indicators Library (LMIL)¹⁴ was set up to make more and better information available to policy-makers and the social partners. Through LMIL, a number of countries have produced national labour market reports, labour market databases and public access web sites containing information and analysis. Activities in this area have contributed to an increase in the use of labour market information to evaluate and formulate economic policies and monitor decent and productive employment.

As a result, in Central America for example, skills to produce and disseminate labour market indicators that better meet users' needs have been improved through LMIL training workshops. As a result, central statistical offices, ministries of labour, trade unions, employers' organizations and international organizations have strengthened partnerships by the establishment of a subregional experts' network. Via the network, national statistical methodologies and analyses were strengthened and further harmonized. Guatemala and Nicaragua revised their methodologies and projects were initiated to pursue statistical harmonization in the context of Central American economic integration. In Panama, a large series of publications was produced with additional funding from the national Government. The availability of labour market information has been improved by the establishment of easy-access online databases in Spanish (<http://www.oit.or.cr/estad>).

¹⁴ <http://www.ilo.org/public/english/employment/strat/lmil.htm>.

212. Several Arab countries have undertaken employment policy reviews, ensuring they are in line with international labour standards and fundamental principles and rights at work. Bahrain implemented a decent work pilot programme focusing on labour and employment policy reforms.

213. A national employment agenda was formulated and endorsed by the tripartite partners in Yemen. In Iraq, the International Employment Conference in 2004 adopted a Declaration clearly recognizing the importance of employment and socio-economic issues for the future of Iraq. An action plan is currently being implemented through technical advisory services and capacity-building activities.

(c) Regional strategic frameworks for skills development

214. In the area of skills development, ILO technical cooperation has helped prepare a strategic framework for skills and employability in the Asia and Pacific region. In the Americas, CINTERFOR (Inter-American Research and Documentation Centre on Vocational Training, where the ILO regular budget provides for key officials of the Centre) also played an important role in strengthening regional dialogue and proposing strategies to improve access to programmes for unemployed young people. In Bolivia, Honduras, Nicaragua and Peru, agreements have been reached within the framework of the Regional Programme on Sustainable Employment – Phase II (PRES II),¹⁵ that the ministries of education will provide training on enterprise culture for young people in the formal education system.

Box V.6

Pakistan and the Philippines – Applying a methodology that works: Training for Rural Economic Empowerment (TREE)

The ILO has developed an alternative model for income generation and employment creation – the TREE methodology – to deal with the high levels of poverty and the lack of economic opportunities in Pakistan and the Philippines. The target groups, including the rural poor – specifically women, disenfranchised male youth and people with disabilities – come from the poorest areas in both countries. In Pakistan, the project areas are in the North West Frontier and Punjab provinces. In the Philippines, the project operates in six provinces and one city in the autonomous region of Muslim Mindanao.

The project offers a comprehensive training package to assess local economic opportunities, deliver community-based skills training and provide post-training services. It also builds the capacity of government and private sector partners to implement the methodology.

The TREE model has proved very effective. In Pakistan a project financed by USDOL had trained 2,059 beneficiaries by June 2005. Women's participation in project activities is now up to 60 per cent. In the Philippines, a total of 1,025 people have undertaken skills and entrepreneurial training courses. Project tracer studies show that 94 per cent of those interviewed attributed their present economic activities to their training under the TREE project. The studies have also shown that the target groups have increased their monthly incomes by as much as 80 per cent, indirectly benefiting around 1,022 members of their families.

The success of the project has caught the attention of policy-makers. In Pakistan, the Federal Minister of Finance requested the ILO to provide technical assistance to the Prime Minister's programme on skills development, designed to train 300,000 young people by implementing the TREE model. The Government of Pakistan has approved the Prime Minister's programme for an initial investment of US\$100 million.

¹⁵ <http://www.oit.org.pe/pres/>.

(d) Upgrading informal economy operations: Employment through self-help – An effective approach

215. SYNDICOOP is a project to improve the working and living conditions of unprotected informal economy workers in selected African countries, through pilot projects aimed at creating decent employment and income by strengthening the capacity of national and local-level trade union and cooperative organizations to work together constructively in the informal economy. The project is described in greater detail in section IV.1.

(e) Global success through global training programmes: Start and Improve Your Business (SIYB) Expand Your Business (EYB)

216. As the ILO's recognized global programme on enterprise management and training, Start and Improve Your Business (SIYB) continued to reach a substantial number of small-scale entrepreneurs. It equips them with the basic management skills needed to establish and improve small businesses. More than 90 member States have used SIYB programmes, adopting the standard training package to their local needs, languages and business environment. A global outreach study in 2003 found that 47 per cent of the entrepreneurs reached in the SIYB programme were women. Based on the experiences of SIYB, the Expand Your Business (EYB) programme has been extended in all regions, focusing on growth-oriented entrepreneurs and including medium-scale enterprises.

(f) Youth employment

217. In June 2005 a youth employment project in Latin America was financed under special arrangements with five major Spanish private companies and the Government of Spain, under the coordination of Spain's employers' organization, which resulted in a total donation of US\$5.5 million to the ILO's work in this field.

218. The Youth Sport Programme attempts to address the clear need for new services and skills development for youth employment through comprehensive and coherent response to local demand, as expressed through sports institutions, such as the International Olympic Committee, international sports federations and the United Nations Inter-agency Task Force on Sport for Development and Peace. The programme results from various activities conducted at the field level at the request of ministries of labour and sports partners in Albania, El Salvador, Mozambique and Senegal, aimed at establishing a framework for collaborative work with sports institutions and development institutions and agencies while focusing on training and skills development for youth in the sports sector. This innovative approach, which has brought ILO constituents into the United Nations Secretary-General's initiative, has been included in the business plan of the United Nations Communications Group Working Group on Sport for Development and Peace. It was also used to mobilize stakeholders and Heads of State at the United Nations General Assembly in September 2005 on the need to commit resources to national policies on youth involving sports and tourism sectors.

Box V.7

Kosovo: Tackling youth employment – An integrated approach

“Good jobs for young people are a good investment in development. We are working, together with the trade unions and the Ministry of Labour, to help young people overcome the work experience requirement.”

Safet Gerxhaliu, Chamber of Commerce of Kosovo

The ILO and the Ministry of Labour and Social Welfare (MLSW), in cooperation with the social partners, launched a pilot integrated employment and training project, funded by Italy, that included public-private partnerships and cost-sharing arrangements with private enterprises hiring young people who were at risk of social exclusion and with only limited or no work experience. Since 2002, approximately 50,000 people have benefited from the employment and training provided. As a result, the MLSW decided to expand the pilot project in order to reach out to a greater number of young people.

Training and coaching programmes were developed for the staff of the Public Employment Service (PES). These initiatives aimed to help identify and target youth at risk, use appropriate counselling and guidance skills and techniques and convince employers to hire “hard-to-place” young workers. They were also geared to strengthening PES capacity to monitor and evaluate the effectiveness and impact of youth employment measures. A labour market information database was set up to link the network of employment offices and match job applicants with vacancies.

Realizing that young workers’ were unaware of their rights at work as well as the potential for self-employment and other entrepreneurship opportunities, the social partners engaged in a number of initiatives. Young trade unionists in Kosovo launched the campaign “You have rights at work”, using means such as posters, leaflets and radio and television spots. In partnership with a private telephone company in Kosovo, a toll-free number was made available to help young workers connect with young trade unionists and get information on their rights and entitlements. At the same time, the Chamber of Commerce set up a youth entrepreneurship desk to provide information and assistance, as well as mentoring and coaching services to young entrepreneurs.

By mid-2005 the project focused on providing technical assistance to an inter-ministerial working group, established under the aegis of the Prime Minister’s Office and composed of representatives of several ministries and the social partners. This group has since been working to mainstream youth employment into the development plan of Kosovo on the basis of the pilot initiatives and the lessons learned from implementation of the project.

(g) Local economic development: Creating jobs where people live and work

219. If development is to be sustainable, its ownership must belong to the local stakeholders. ILO technical cooperation in local economic development (LED) has fostered the local ownership of development activities through a process of participation, exchange of ideas and coordination of initiatives by local actors on job creation and stimulating the local economy. In Mozambique and South Africa, LED projects have assisted in building capacity of local stakeholders such as local government, workers’ organizations, business associations and microfinance institutions. This has resulted in the development of more coherent and responsive LED strategies. Local experiences serve as a “laboratory”, which generates good practices and lessons learned that inform the policy-making process at national level and can be replicated elsewhere. In this way, local and national stakeholders can become partners in the development process. Over time, the LED approach has been implemented in three provinces and seven districts, with the aim of reaching all ten provinces of Mozambique. In Eastern Europe, including

South Serbia, seven local economic development agencies (LEDAs) were set up and have become a viable and sustainable mechanism to mobilize local assets.

220. The ILO's approach to local economic development (LED) is employment-centred, reflecting a concern to boost the scale and quality of jobs created through local development. This participatory approach involves local stakeholders in setting priorities and formulating their own development strategies based on local resources and skills. While there is no single recipe, LED follows basic principles that allow solutions to be tailored to local needs and realities. Local development can act as a framework for project activities in support of decent work at the local level, using different entry points and involving different areas of ILO expertise, such as business development, upgrading of informal economic activities and supporting social dialogue and social protection at the local level within the context of LED. The area-based dimension of LED (provinces and districts) helps test the impact of the LED approach, particularly in the building of local capacity for poverty reduction and employment creation and in the improvement of livelihoods.

(h) Women's entrepreneurship

221. A project on developing entrepreneurship among women with disabilities in Ethiopia tested the strategy of building the capacity of national disabled persons' organizations (DPOs) to effectively increase the access of such women to mainstream business and vocational skills training, micro- and small-enterprise development and financial services. The strategy of contracting DPOs to implement project activities is being replicated in similar projects for youth with disabilities in Malawi, Swaziland and Zambia. Lessons from Ethiopia are also being used in the Baltic region.

Box V.8 Africa: Women's entrepreneurship

Since 2002, the ILO has focused on promoting women's entrepreneurship in five countries in Africa (Ethiopia, Kenya, United Republic of Tanzania, Uganda and Zambia). The programme has a special emphasis on women with disabilities. Its activities have highlighted many of the problems and issues that women entrepreneurs experience in starting and growing their own enterprises: lack of access to appropriate levels of finance; the need for safe and secure business premises; the importance of representation and voice, and the need for greater access to markets.

Women entrepreneurs have received support to market their products at trade shows and exhibitions and more than 300 women have benefited from the ILO's improve your exhibition skills (IYES) training. The ILO has strengthened associations of women entrepreneurs in several countries and has enabled them to provide more and better services for their members. Links with national organizations of employers are also being fostered. In the Amhara region of Ethiopia, membership of the local association has increased dramatically from fewer than 400 in 2002 to over 2,600 in 2005. Films have been produced of women entrepreneur role models and these are used in schools and at training courses to encourage more women to think about entrepreneurship as a viable career option. The public profile of women entrepreneurs has also been enhanced through the "Month of the Woman Entrepreneur" that was held in Zambia (September 2005) and Ethiopia (March 2004).

The ILO's approach and the results achieved have attracted the attention of the African Development Bank. Based on a new partnership between the ILO and the Bank, the two agencies are exploring further areas for cooperation: in West Africa, to build the capacity of associations of women entrepreneurs; in Cameroon, to replicate the innovative approach adopted for Kenya. Through these activities, it is intended that women will be able to play a more significant role in enterprise growth, private sector development and employment creation.

(i) **Labour-based methods**

222. Increasingly, governments in Africa, Asia and Latin America are incorporating the EIIP approach into their policy documents, including PRS processes, as an instrument to address poverty reduction. In Andean countries, EIIP projects have helped strengthen dialogue between social partners and governments (inter-ministerial committees) in designing national policies benefiting from the EIIP approach. In French-speaking Africa, the partnership established between the ILO and AFRICATIP (an association of World Bank-supported social funds of public works' agencies) in 2005 further promoted the EIIP approach in the region on a larger scale. The EIIP methodologies also influenced local governments' investment policies, such as in Cambodia, Indonesia, Lao People's Democratic Republic, Nicaragua, Zambia and Zimbabwe, supporting local employment creation in planning and implementation.

Box V.9

Limpopo province, South Africa: Gundo Lashu

The Employment Intensive Investment Programme (EIIP) has been assisting the Limpopo province of South Africa with its "Gundo Lashu" ("Victory is Ours") project, with financing from UK-DFID, aimed at establishing labour-based methods in road maintenance and construction as a vehicle for employment creation, enterprise development and skills transfer, and to enhance livelihoods for economically marginalized members of communities. As a consequence of the clear benefits of the approach, the provincial government budgeted approximately ZAR 300 million (about US\$45 million) for employment intensive works during 2004-05 and the approach has been institutionalized at national level through the "expanded public works programme" (EPWP). With a revolving budget of approximately US\$2.3 billion for a period of five years, the EPWP aims to create one million employment opportunities.

* * *

223. Employment, particularly youth employment, remains a major challenge for all regions. ILO technical cooperation will continue to support constituents through the formulation and implementation of effective policies and programmes in this area, guided by the ILO plan of action to promote pathways to decent work for youth adopted by the International Labour Conference in June 2005.

224. In Africa, other thematic priority areas will continue to be women's entrepreneurship, skills development and employability, local economic development, small business development, investments for employment creation in infrastructure, cooperatives and labour market information systems as a principal monitoring tool for economic development. In Europe, themes such as combining greater labour market flexibility with employment and income protection will guide the ILO's work in the coming years. In Asia and the Pacific, consistent signals indicate the need to expand work on skills development and promoting good business practice in industrial clusters. The informal economy and the promotion of decent jobs for the working poor will continue to be priorities for action in the region. In Arab States, employment-intensive investment approaches remain a priority in countries affected by the consequences of armed conflict. In the Americas, it is expected that additional member States will design and implement policies and programmes with special emphasis on women and youth with ILO technical assistance.

225. In order to achieve maximum impact in all priority areas, the ILO needs to focus even more on developing successful partnerships with donor communities, regional banks and other United Nations agencies in order to increase its scope and scale of

activities. Successful methodologies and approaches need to be replicated on a large scale at national, regional and global levels.

4. Strategic Objective No. 3: Enhance the coverage and effectiveness of social protection for all

226. National, subregional and regional action programmes were developed and institutional capacity strengthened. Ground-breaking projects extended social protection to the informal economy and in rural areas, while empirical and multidisciplinary research laid the foundation for informed decision-making. In the process, tripartism, social dialogue and gender balance were mainstreamed. Some examples are highlighted below.

(a) Development of action plans, programmes and strategies

227. Assistance was provided in assessing social protection needs and developing action programmes to prioritize activities within a coherent national framework. The development of action plans helped build consensus, commitment and ownership, as illustrated below.

228. Following ILO recommendations on reforming its social security, the General Social Security Corporation in Yemen developed a national strategy to improve the productivity of its private pensions system.

229. The development of occupational safety and health (OSH) profiles resulted in the formulation of national occupational safety and health action plans in 19 member States across the regions. In some countries, national action programmes targeted particular hazardous work: in Argentina, a national tripartite construction safety committee was established and a national action programme developed.

230. The Global Strategy on Occupational Safety and Health adopted by the International Labour Conference in 2003 underlined the importance of technical cooperation as a means to promote national OSH capacities and programmes. Priority has been given to providing support in assessing needs at national level through the development of the OSH profiles needed to define priorities and establish national OSH programmes. This effort has resulted in the formulation of national occupational safety and health action plans in 19 member States across the regions. In Asia and the Pacific, the ILO helped Thailand launch a five-year master plan for OSH for the period 2002-06 and prioritized national OSH action areas.

231. National action plans for combating HIV/AIDS and the world of work were adopted, or included in national policies, in Brazil, Kazakhstan, Kyrgyzstan, Malaysia, Nigeria, Papua New Guinea and the Russian Federation. Assistance to constituents in India has led to the development of a comprehensive plan of action. In Madhya Pradesh, West Bengal and Jharkhand, 55 workplaces initiated workplace programmes, covering over 100,000 workers and 628 persons were trained as trainers from January 2003 to March 2004.

Box V.10
India: Tripartite action on HIV/AIDS, 2001-07

“We can work. We pose no risk to our co-workers. Work is more than medicine for us. It keeps us going and enables us to bring home food and medicine.”

Naveen Kumar, New Delhi
Living with HIV – ILO project partner

Since 2001, the ILO has partnered its Indian constituents in a pioneering technical cooperation programme aimed at establishing sustainable tripartite action on HIV/AIDS prevention, care and support in the world of work. This three-phase programme, financially supported by the United States Department of Labor, aims to mainstream action within the Ministry of Labour and Employment (MOLE); mobilize employers' and workers' organizations; help social partners develop workplace education programmes; provide technical support on knowledge management, policy development, training and research; focus on the informal sector and gender issues; and support, build and sustain social partners' capacities.

Enterprise-level initiatives implemented in four states are directly supporting policy development and HIV/AIDS workplace education programmes in 64 enterprises with a total workforce of 184,000 workers. Other similar initiatives mainstreamed into national and state programmes are reaching 819,000 workers, including 465,000 beneficiaries in the informal economy. The central role of the People Living with HIV/AIDS (PLWHA) organization is one of the project's key features. PLWHA's participation in policy development through direct participation in the Project Advisory Board and its involvement in training, sensitization and research activities has significantly contributed to the creation of a participatory and inclusive policy environment. Partnerships and joint initiatives with institutions of the Ministry of Labour and Employment and with the National AIDS Control Organization (NACO) have provided an effective framework for collaborative efforts and facilitated the progressive institutionalization of HIV/AIDS workplace education initiatives into national programmes. The two milestone pilot interventions described below show innovative and collaborative models which can be further expanded on a national scale.

The ILO's work with the Central Board for Workers' Education (CBWE), an institution of the Ministry of Labour and Employment, combines the need to reach informal economy workers, particularly women in rural areas, and the strategic goal of expanding sustainable action with national partners. Collaboration with CBWE resulted in a mainstreamed approach to HIV/AIDS which involved training initiatives undertaken by all CBWE's education officers at both national and state levels. HIV/AIDS workplace modules and information materials based on the ILO code of practice on HIV/AIDS and the world of work now form an integral part of CBWE's programmes. Various awareness-raising and education initiatives are targeting approximately 300,000 beneficiaries a year, 40 per cent of them in the informal economy.

Several member enterprises of the Bombay Chamber of Commerce and of the Employers' Federation of India (EFI) have established a partnership with the Mumbai District Aids Control Society (MDACS) through an ILO-facilitated initiative aimed at fostering a national multi-sectoral response to HIV/AIDS. This partnership involves several public and private corporations, as well as informal economy workers, particularly in the construction sector. As a result of collaborative enterprise and community-level initiatives, more than 100,000 workers in participating enterprises located in the Mumbai metropolitan area have benefited from the creation of a rights-based policy environment; acquired life-skills on HIV/AIDS prevention measures; and obtained critical information on how to access public and enterprise-based health services.

232. Fifteen Caribbean countries adopted a platform of action on HIV/AIDS and the world of work in the Caribbean, complemented by specific agreements between employers' and workers' organizations, as in Jamaica. Joint employer-worker action plans were also adopted in Côte d'Ivoire, Ghana, Kenya, Malawi, Mali, United Republic of Tanzania, Uganda and Zambia. An action plan on regional HIV/AIDS issues in the

transport sector was established, covering Botswana, Lesotho, Malawi, Mozambique, Namibia, South Africa, Swaziland and United Republic of Tanzania.

233. Through the project on enhancing national capacity on migration management, constituents in Cambodia, Lao People's Democratic Republic, Mongolia and Thailand developed country action programmes. Albania, Republic of Moldova and Ukraine formulated a gender-balanced migration policy to reduce the trafficking of young women and to strengthen the capacity of ministries and of social partners.

234. In Ireland, the ILO assisted the Government, social partners and civil society in establishing guidelines to facilitate integration and reduce discrimination against foreign workers.

235. As part of the African Labour Migration Policy Initiative, tripartite subregional action plans on labour migration were formulated in the East African Community (EAC), Maghreb countries and member countries of the Economic Community of West African States (ECOWAS). The EAC instituted a protocol on free movement of persons based on international standards, a step towards consolidating an emerging common market.

236. Through a project on enhancing national capacity on migration management, constituents in Cambodia, Lao People's Democratic Republic, Mongolia and Thailand developed national action programmes. Work to integrate elements of the Cambodia, Lao People's Democratic Republic and Thailand projects in the subregional project to combat trafficking in children and women facilitates safe migration opportunities by disseminating information, raising awareness and building capacity through support to training activities.

237. The project on comprehensive solutions for Afghan displacement assists the Islamic Republic of Iran, Pakistan and Afghanistan in designing a framework for managing labour migration and strengthening capacities to plan the return and reintegration of Afghan nationals. The socio-economic profiles of the Afghan population in the Islamic Republic of Iran and Pakistan were mapped and return migration patterns and reintegration issues in Afghanistan analysed.

(b) Extension of social protection to the informal economy and rural areas

238. Technical cooperation within the Programme on Strategies and Tools against Social Exclusion and Poverty (STEP) and the Global Campaign on Social Security Coverage for All resulted in access to health care, especially through community-based micro-insurance schemes on health in Africa, Asia and Latin America. With ILO technical assistance the Honduran Social Security Institute created the legal framework and infrastructure for the extension of social security coverage and new modalities for social security coverage for domestic workers, home workers and independent workers are emerging. In Paraguay, social security was extended to domestic workers.

239. The ILO assists the Government of Ghana in extending health-care coverage to the informal sector and in implementing its National Health Insurance System (NHIS). The global social trust pilot project developed a methodology for delivering benefits to poor communities and a targeting mechanism to identify those most in need. Approximately 4,000 individuals (800 families) have been identified, have gained access to health care and have been included in the NHIS through subsidized contributions.

Box V.11

**Senegal: Strategies and Tools against Social Exclusion and Poverty (STEP)
Extending social protection through microfinance**

In Senegal the Strategies and Tools against Social Exclusion and Poverty Programme (STEP) is testing various approaches to the extension of social protection. This includes, for example, combining micro-insurance and microfinance, as in the case of the Mutuelle d'Épargne et de Crédit de Icotaf Boubess (Savings and Credit Mutual Union of Icotaf Boubess – MECIB). The savings union offers its members a health insurance product for a contribution of CFAF 200 per person per month (\$0.36), paid by automatic deductions from savings accounts. On the basis of this experiment, the STEP programme is providing support to the Senegal Mutual Savings and Credit Support Programme (Programme d'Appui aux Mutuelles d'Épargne et de Crédit du Sénégal – PAMECAS), a microfinance network, to extend the system to the entire network, covering 125,000 members and their families. The STEP programme also supports major organizations in production sectors to help them initiate social protection programmes for their members. These include the National Union of Agricultural Cooperatives of Senegal (Union Nationale des Coopératives Agricoles du Sénégal – UNCAS) which has 4,500 member cooperatives. STEP also supports the Dakar Region Union of Health Care Mutual Societies (Union des Mutuelles de Santé de la Région de Dakar – UMSD), which has 32 such societies as members and a total of 180,000 beneficiaries, to help it introduce a joint technical service for the management of a guarantee fund.

In addition, in Senegal the ILO identified the extension of social protection through social dialogue as a priority area for action in 2004-05. Work included drafting a plan of action to support the National Committee on Social Dialogue. In this context, and at the request of the trade union confederations, STEP is now supporting a feasibility study on the implementation of a social protection system for road transport workers.

240. Using the work improvements in neighbourhood development methodology (WIND), technical assistance was provided to improve working and living conditions and safety and health in the agricultural sector in Cambodia, Kyrgyzstan, Lao People's Democratic Republic, Mongolia, Thailand and Viet Nam. In Viet Nam, 3,402 small-scale farmers participated in WIND training courses in 2001-03 and 160,000 self-made improvements were reported in Cantho province. In Ethiopia, training focused on cotton farmers, complemented by skills training for women weavers in micro- and small-enterprises in the informal economy.

(c) Strengthened institutional capacity for policy development and implementation

241. In Haiti, enterprises in the garment assembly sector were assisted in improving workplace conditions using the ILO's work improvements in small enterprise (WISE) methodology. A large and increasing number of improvements have been made and a tripartite project advisory committee was created. Participating enterprises can rely on a core group of supervisors trained in assessing conditions and developing easy-to-implement improvements and on a core group of factory-based nurses trained to give direct and immediate support in implementing changes. The social partners revived the National Tripartite Conciliation and Arbitration Council as a mechanism for social dialogue.

242. A Regional Occupational Safety and Health Information Centre was established in Damascus in 2004 to facilitate information exchanges between national centres and collaboration towards a global hazard alert system.

243. Through ILO technical assistance, the Stara Zagora branch of the Bulgarian Industrialists' Association (BIA) provides better occupational safety and health services, particularly risk assessments and medical examinations. Enterprises using its services have increased from 18 to 198 and the BIA has doubled its staff. It also produced a guide on developing occupational safety and health services for employers' organizations.

244. ILO support to countries in developing their capacity to deal with OSH focused on national policies on OSH, national systems (mainly infrastructure to implement national programmes) and time-bound national programmes. In Caribbean countries, a tripartite workshop was held to reinforce constituents' capacity to develop a strategic approach to OSH. In Asia, a regional tripartite workshop addressing 17 countries facilitated common understanding of the ILO approach to national OSH programmes with a view to initiating a number of such programmes. In Africa, ARLAC (African Regional Labour Administration Centre, Harare) organized a meeting with ILO support on the global OSH strategy and its role in relation to the labour market. In other countries, as in the Seychelles and Mauritius, technical assistance was aimed at improving constituents' capacity to deal with an identified priority area – port safety. Some technical cooperation activities targeted informal economy workplaces, where the WISON (work improvement in small construction sites) approach was implemented in cooperation with local counterparts in Viet Nam and with trade unions in Mongolia.

Box V.12

Bulgaria: Training for integrated labour inspection, 1999-2005

During the lifetime of this German-funded ILO project, Bulgaria underwent a labour inspection reform and revised its Labour Code so that the daily work of each inspector covers a wide range of technical areas, including labour inspection enforcement, advisory functions, occupational health and safety responsibilities and conditions of work monitoring.

A solid three-year "train-the-trainer" programme provided support during the transition period, when over 300 inspectors were trained. The new integrated inspectorate now carries out its activities on the principle of "one inspector per enterprise" and has significantly increased competence in planning and carrying out inspections using preventive inspection methods. Comprehensive training has enabled each inspector to cover a wider range of technical areas and a database of enterprises visited has been established.

Based on the integrated inspection approach, the number of inspection visits on occupational safety and health and other issues increased from 20,251 in 1998 to 32,271 in 2003. The number of complaints investigated doubled from 3,437 in 1998 to 6,857 in 2003. Moreover, the inspectorate recruited over 70 new inspectors in 2003 and 2004. The success of the project may also be measured by the independent European Union (EU) Senior Labour Inspection Committee evaluation, which reconfirmed that Bulgaria now meets all criteria for EU accession in the field of labour inspection.

245. In Viet Nam, the Labour Code was revised to support integrated inspections covering hygiene, occupational safety and health and conditions of work. A management-by-results inspection strategy, complemented by comprehensive training, has led to increased inspections and quality advice. The project was the catalyst for the establishment of an occupational safety and health training centre. As a result of a tripartite labour inspection audit, Luxembourg restructured its inspectorate and proposed laws on the reform of labour inspection; established tripartite permanent committees on labour and employment and on mediation; included psychosocial health in OSH laws; and contemplates ratifying 21 international labour standards on occupational safety and health. Similar labour inspection audits were carried out in India, Kazakhstan, Latvia and Thailand. National labour inspectorates in Costa Rica, Dominican Republic, El Salvador,

Guatemala, Honduras, Nicaragua and Panama were modernized through organizational restructuring, the revision of legal frameworks, training, the introduction of advanced technology and the inclusion of occupational safety and health and working conditions in the training of judges involved in conflict resolution.

246. The findings of actuarial evaluations of pension systems in Cyprus and Luxembourg were implemented and a social budget model for Luxembourg was also developed. Social protection expenditure reviews were carried out in Peru, Poland and Slovakia. The Centre for Computerized Apprenticeship and Resources in Social Inclusion (CIARIS) web site ¹⁶ connects practitioners, experts, networks and communities in English, French, Spanish and Portuguese. Social security administrators and planners were trained in social protection financing in a masters programme established through a collaborative arrangement between Maastricht University and the ILO.

(d) Empirical studies and surveys: Laying the foundation for developmental work and assistance

247. A comparative assessment of working and employment conditions in new EU Member States was carried out. The findings led to the European Commission ordering a more comprehensive evaluation covering the 25 EU Member countries and three candidate countries (Bulgaria, Croatia and Romania).

248. Research was undertaken on the impact and policy issues of skilled migration (the brain drain) in Argentina and Uruguay, Bulgaria, Jamaica and the Caribbean, Southern Africa, India, the Philippines, Sri Lanka and the United Kingdom. Empirical documentation was assembled of discrimination in access to employment and an evaluation of policies in industrialized countries (e.g. France and Sweden) with large migrant or ethnic minority populations carried out as a basis for policy formulation.

249. Extra-budgetary resources funded socio-economic security surveys and enterprise labour flexibility surveys and the establishment of databases, providing empirical data for policy-making. Empirical work in Ukraine has formed the basis for social policies, particularly on essential services, such as health and social welfare.

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250. The last five years have witnessed growing concern about the need for social protection. This is partly due to increasing recognition that social protection helps reduce poverty. Migration, social security and pensions reform, the extension of social security and combating HIV/AIDS are high on the international agenda. The ILO's Multilateral Framework on Labour Migration submitted to the Governing Body in March 2006 ¹⁷ could provide the basis for future technical cooperation.

251. More integrated approaches to social protection will underpin technical cooperation. Linkages will be strengthened or established between occupational safety and health and

¹⁶ <http://ciaris.ilo.org>.

¹⁷ Governing Body document, Mar. 2006, GB.295/STM/3/2(& Corr.), <http://www.ilo.org/public/english/standards/relm/gb/docs/gb295/pdf/stm-3-2.pdf>; draft ILO Multilateral Framework on Labour Migration: Non-binding principles and guidelines for a rights-based approach to labour migration, as adopted by the Tripartite Meeting of Experts on the ILO Multilateral Framework on Labour Migration (Geneva, 31 Oct.-2 Nov. 2005), document TMMFLM/2005/1, <http://www.ilo.org/public/english/standards/relm/gb/docs/gb295/pdf/tmmflm-1.pdf>.

social security; the protection of migrant workers and better conditions of work and employment; and the provision of occupational safety and health services and social security coverage to HIV-affected workers. The extension of social security coverage through community-based schemes in the informal economy will be complemented by reviews of national social security systems.

252. Efforts will be made to address social protection and employment jointly. This will build on existing collaborative work on the extension of social security and cooperatives, improving working and living conditions in small-scale farming and skills development, and promoting small enterprise development and improvement of working conditions and occupational safety and health.

253. Responses to social protection needs will be integrated into decent work programmes, especially at national level. National action plans and programmes will be building blocks for DWCPs.

254. Moving from advocacy to technical assistance will be a priority. Increased attention will be given to measures that help member States respond concretely to social protection needs through specific targeted action.

5. Strategic Objective No. 4: Strengthen tripartism and social dialogue

255. Tripartism and social dialogue are founding principles of the ILO and their strengthening is a strategic objective. This section is structured around the three operational objectives of this strategic objective and will examine technical cooperation aimed at strengthening tripartism and social dialogue and consider its mainstreaming as a means to achieve the other strategic objectives.

256. The resolution concerning tripartism and social dialogue adopted at the 90th Session (2002) of the International Labour Conference has provided important guidance to the Office in its technical cooperation. The resolution reaffirmed the importance of the ILO's tripartite structure and recalled the essential role of the social partners in stable and participative economic and social development and democratization. It emphasized the importance of the further development by the Office of "technical cooperation programmes with the social partners and governments to help strengthen their capacities, services and representation". The resolution also noted that social dialogue and tripartism have provided a valuable and democratic means to address social concerns, build consensus, help elaborate international labour standards and examine a wide range of labour issues on which the social partners play a direct, legitimate and irreplaceable role. The inclusion of a mainstreaming strategy on expanding the influence of social partners, social dialogue and tripartism in the Programme and Budget for 2006-07 is one concrete response to the resolution.

257. The importance of social dialogue and tripartism in technical cooperation was also recognized in its selection as a theme for evaluation by the Governing Body at its 289th Session.¹⁸ Discussing this evaluation, the Governing Body emphasized that social dialogue and tripartism must permeate the work of the Office as a whole, especially technical cooperation. The need for full, dynamic involvement of the social partners in

¹⁸ Governing Body document GB.289/TC/1, Geneva, Mar. 2004, <http://www.ilo.org/public/english/standards/relm/gb/docs/gb289/pdf/tc-1.pdf>.

all stages of ILO technical cooperation activities, as well as ACTRAV and ACT/EMP, was also emphasized. Tripartism and social dialogue are thus both components of decent work and tools for achieving it.

258. Technical cooperation has played an important role in supporting structures and institutions for social dialogue. However, tripartite and even bipartite institutions for social dialogue are futile unless the partners involved are equal and capable to participate in a meaningful way. Furthermore, structures and institutions for tripartism and social dialogue are empty shells unless they serve as vehicles for dialogue on concrete subject matter. Therefore, the most important part of technical cooperation benefiting tripartism and social dialogue concerns support for constituents' capacity to participate meaningfully in social dialogue. This includes both basic institutional strengthening as well as capacity building on subjects that cut across all four strategic objectives.

(a) Strengthening the representation, services and influence of the social partners

(i) Employers' organizations

259. Strengthening employers' organizations by developing and improving their services, attracting new members and increasing their policy influence through the effective articulation of the business community's views have been the focus of the work of the Bureau for Employers' Activities (ACT/EMP) with employers' organizations. Through employers' specialists in the field, strategy focuses on in-depth dialogue and strategic planning to enable the identification of employers' organizations' priorities. These have included the enhancement of enterprise-level and national competitiveness in workplace relations, productivity, corporate social responsibility and human resources development at all levels. In supporting this key agenda, ACT/EMP also helped employers' organizations tackle issues such as HIV/AIDS, which has a direct impact on the workplace and child labour, which has significant long-term negative repercussions on national economic development.

260. ACT/EMP's global strategy on technical cooperation, setting general parameters and priority themes for action, was adopted in recognition of the need to focus its employers' technical cooperation programme on key priorities to achieve greater impact. The strategy was endorsed by the Employers' group of the Governing Body in November 2002. It outlines ACT/EMP's mission, objectives, working methods, programme priorities and its evaluation and resource mobilization strategies.

261. As a result, there has been increased emphasis on a strategic approach to achieving institutional development. Themes are being developed to improve the cohesiveness of programmes and impact at the national level. This strategy is being used in tandem with ongoing discussions and negotiation with employers' organizations to develop programmes that ensure employers' ownership and commitment.

262. ACT/EMP now applies an integrated evaluation strategy. This includes a baseline data information system, launched in early 2004, which will continuously and systematically gather information on employers' organizations' structures and activities. It is intended as a tool for them to share information about each other and their activities. It is also designed to allow ACT/EMP to better monitor the impact of its technical cooperation programmes by providing data on its key performance indicators.

Box V.13**Linking small and large enterprises for national policy development**

Technical assistance was provided to the Federation of Kenya Employers (FKE) to link small informal enterprises with large enterprises. This was done on the basis of past interventions with FKE on micro- and small enterprise development, and within the framework of FKE's engagement with the Kenyan Government for the development of national policy on micro- and small enterprises. Links were established between formal and informal enterprises, which have led to improvements in the quality of the products supplied by the informal enterprises. A group of engineering graduates acted as the liaison between the informal and large enterprises. This was the subject of a short ILO documentary item shown on CNN World Report.

263. Independent evaluations of ACT/EMP's technical cooperation programmes on child labour and employers' activities were undertaken with a view to improving project design, implementation and impact. Together with other external and self-evaluations of ACT/EMP's programme activities over the past five years, these evaluations have highlighted general lessons, some of which are listed below and will be taken into account in planning future programmes.

- Sustainability is one of the greatest challenges. Beneficiary organizations are not the highest paying in the market and persons who are trained often leave when they receive better offers from companies. In organizations that do not have many professional staff and where the services are performed by elected officials, the benefit of technical cooperation might only last until the next election. In such cases the competence needs to remain within the organizations and be called upon when necessary.
- In most cases, no single intervention can achieve impact or long-lasting institutional change, but needs to be part of a series of activities and events that will build full service capacity. Offering the service in practice also requires additional administrative and policy measures, budgetary allocations, consensus building and concurrent participation of others, requiring the commitment and will of key employers' leaders.
- A key factor of success in capacity-building projects is the quality of the organizational leaders and the political will and commitment of employers' organizations' leaders. If the leaders are strong and visionary, efforts to build and strengthen the organizations are more likely to succeed.
- Supporting and strengthening networks of employers' organizations to help them share information, exchange experience and develop benchmarks should become a permanent strategy in future projects. Sharing information and tools through such networks is a valuable technique for organizational development.
- In projects or programmes in which a number of employers' organizations are targeted simultaneously by the same type of assistance, different levels of organizational development need to be taken into account. Efforts should be made to tailor the assistance individually to the organizations' developmental levels and capacities.

Box V.14

Bulgaria: Helping employers into the formal sector

In 2003 new regulations introduced in Bulgaria made it compulsory for employers to register all labour contracts. Since many employers and enterprises are unaware of the new regulations, there is a strong need now to inform them on compliance. The ILO's Bureau for Employers' Activities (ACT/EMP) supported the Bulgarian Industrial Association (BIA), the largest employers' organization in the country, to help companies move from informal to formal employment relationships.

A series of technical measures have encouraged and assisted branch organizations of BIA to set up payroll administration services for member enterprises at the local level, which have enabled enterprises with informal sector practices to formalize their practices and integrate with the modern economy. The BIA in this way strengthened its position with the Government through its clear commitment to the formal sector and by demonstrating that enterprises with informal arrangements can draw on the services provided by its branch organizations to formalize their activities. This has implications in terms of taxation, social security and related issues. At the same time, the BIA helped its branch organizations develop new services.

Box V.15

Social dialogue: Improving workplace performance, enhancing productivity

Caribbean: Trinidad Cement Limited (TCL) is an international company operating in Trinidad and Tobago, Barbados and Jamaica. Throughout much of its history, TCL was plagued by poor labour-management relations. Between 1984 and 1995, the company averaged two work stoppages a year and had no fewer than 47 unresolved grievances and disputes. Plant availability and efficiency were below 70 per cent. After 1995 TCL's management adopted a new strategy which put a premium on sound relations with workers and included the establishment of a tripartite committee and negotiated strategies.

As a result of this new approach, negotiations were completed rapidly and without any work stoppages, plant availability and efficiency increased; as did overall cement productivity and employee job satisfaction, while absenteeism went down. In 2002, management and workers together were able to fend off a foreign takeover bid for TCL, helped by the enhanced competitiveness and sound labour relations they had created. Good labour relations thus paid off for both workers and employers.

South Africa: The ILO and the Government of Switzerland have, since 2003, supported an innovative project in the clothing and textile sector in South Africa focused on improving productivity and quality through the promotion of sound labour relations. Seven enterprises participated in the project, all located in non-metropolitan environments with high unemployment and a very high prevalence of HIV/AIDS.

The project not only profoundly changed the labour-management culture, but also quantitatively improved productivity and competitiveness based on world class manufacturing standards. Average operating efficiency across all enterprises increased from 63.1 per cent to 74.4 per cent, despite the fact that a number of enterprises faced volume reductions. Quality improved at the five top performing enterprises by an average of 50 per cent, while average absenteeism over 12 months at the same enterprises dropped to 2.8 per cent, lower than the regional average of 4 per cent. Profit improvement projects, based on loss and waste analyses, yielded over R1.3 million in just 12 months. Performance improved in teamwork, quality, housekeeping, measurement and problem solving in all enterprises. During the course of the project, seven internal facilitators were developed and at the project's conclusion 28 team leaders and eight shop floor trainers were accredited.

The project demonstrated that significant enterprise-level improvement within the sector can be achieved on a sustainable basis within a relatively short period. Two-thirds of the participating enterprises are now significantly better positioned to meet the challenges of global competition.

264. Employers' organizations are also involved in other activities aimed at assisting enterprises in social dialogue problems in relation to workplace performance and productivity, as illustrated in box V.15.

(ii) **Workers' organizations**

265. Although the Conference resolution of 1999 strongly emphasized the need to strengthen the capacity of constituents, including workers' organizations, extra-budgetary funding for ACTRAV technical cooperation activities declined steadily and even dramatically during the period under review. This trend, combined with the magnitude of new challenges for workers, has seriously impeded ACTRAV's possibilities for delivering a technical assistance programme that meets the needs and requests of the worker constituency. The dependency of the ACTRAV technical cooperation programme on only a small number of donors makes it very vulnerable. This was clearly demonstrated when a major donor to the ACTRAV programme changed political priorities and the programme was severely reduced. However, with the decreasing resources available, ACTRAV has maintained its focus on the most relevant concerns for workers, as demonstrated in the following paragraphs.

266. Sound social dialogue is only feasible when the social partners have adequate capacity and knowledge and the political will to engage. Thus, capacity and institution building for trade union members is the bedrock of all ACTRAV technical cooperation activities. Defined in consultations with trade unions and in line with ILO strategic frameworks, activities have helped workers' organizations deal with the challenges of globalization, rekindling their commitment to genuine democracy and rights-based and people-oriented development.

267. *Standards and fundamental principles and rights at work.* Awareness raising and knowledge building on workers' rights enshrined in ILO instruments was a key feature of all technical cooperation projects, which were financed by Belgium, Denmark, Germany, Italy, Netherlands, Norway, Spain, United Kingdom and other donors. As a result, trade union participation in monitoring follow-up to the Declaration and the application of ILO Conventions has increased. Training was provided on the ILO's supervisory machinery, the promotion of fundamental Conventions and follow-up on alleged violations of freedom of association. The knowledge gained was used to make representations to governments on the ratification of standards and to initiate ILO complaints procedures in cases of non-compliance, as well as helping organize global solidarity campaigns against the violation of core ILO Conventions in Belarus, Colombia, Myanmar and other countries.

268. In Africa (Benin, Mozambique, Rwanda, Sierra Leone, Swaziland and United Republic of Tanzania) through a project funded by Italy, unions were assisted in using sustainable strategies to implement the ILO Declaration in national contexts, strengthening respect for trade union rights and increasing women's role in development. In Sierra Leone, unions drew the Government's attention to contradictions between the Wages and Industrial Relations Act, which prevented public servants from joining trade unions and the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87). In the United Republic of Tanzania, moves were made to bring a proposed labour and industrial relations act into line with core standards. Similar discrepancies were identified in labour legislation in other countries.

269. A regional virtual decent work observatory (55 per cent of participants are women) set up under a project sponsored by Spain enabled trade unions in Latin America to monitor implementation of the Decent Work Agenda in Argentina, Brazil, Chile, Colombia, Paraguay, Peru, Uruguay and Bolivarian Republic of Venezuela and to put forward positive alternatives in the field of labour law, youth employment, the informal economy, migration, gender equality, social security and regional integration.

270. Tripartite structures actively involving trade unions have been important in combating child labour. Cooperation with national trade unions and teachers' organizations worldwide was instrumental in developing action plans, particularly in the least developed countries, which in some cases (e.g. Mali) involved employers.

271. *Employment policy.* Cooperating with international trade unions helped broaden arguments for reforms in the global economy, especially as regards poverty alleviation, debt elimination, reform of the global trading system and expanding market access for developing country exports. Employment promotion enabled trade unions to influence national legislation and to take part in tripartite discussions on the employment agenda. Technical cooperation projects helped workers establish cooperatives and develop other forms of income-generating activities. For example, in India, some 1,200 self-help groups have been set up under a project financed until recently by Denmark and now sponsored by Norway. The aim of the project was to integrate informal economy rural women into the unions. Income-generating activities have put the groups on a stable footing. A similar approach was used in Yemen and some other countries.

272. *Action against hazardous conditions.* Regional seminars on occupational safety and health helped trade union centres develop national strategies based on ILO standards, including for vulnerable groups. In Africa, projects helped union leaders understand the impact of HIV/AIDS and the need to include HIV/AIDS issues in collective agreements. In Niger, four mutual health schemes and four mutual savings/credit schemes for informal economy workers were established. In India, 5,000 union members were sensitized on health, sanitation and hygiene and HIV/AIDS.

273. *Social security.* Projects assisted trade unions in many regions addressing social security issues in both the formal and informal economies; unions established new associations catering for informal economy workers. In India, rural women have been enabled to defend their interests collectively (e.g. gem workers and weavers), as outlined in box V.16. With the help of their union federations, village groups can now enrol their members in social security funds. Some 1,643 union members were educated on welfare board schemes and social security systems. In Burkina Faso, an informal sector social welfare mutual society (Mutuelle de Prévoyance Sociale du Secteur Informel) was formed. The project helped prepare founding congresses for five informal economy trades.

Box V.16
India: Rural women organize to fight poverty

Rural women in India are among the country's most poor and powerless. They are easy prey to unscrupulous landlords and are mostly paid far below the minimum wage when and if work is available. Due to high illiteracy, they have practical difficulties in accessing the government help schemes to which they are entitled.

The ILO's Bureau for Workers' Activities (ACTRAV) has for a number of years been implementing a Norway-funded project for rural workers' organizations in selected Indian states. The project aims at empowering the poor collectively and the strategy followed has been to enable unions to organize rural women and to strengthen their ability to provide services to their members.

Tens of thousands of new members have been enrolled and rural unions have assisted women members in forming self-help groups in villages. The project provided the groups with small initial loans. More than 200 groups have established various income-generating activities, such as goat and buffalo rearing, charcoal making, weaving and potato chip manufacture. The unions and self-help groups have successfully addressed various village development issues, such as electricity connection, access to drinking water, road repairs and transportation, and ensured the performance of other government obligations.

The project helped unions deal with rural women's entitlements to benefits from government schemes on education, marriage, maternity, girl children, survivors' and old-age pensions and some other services have been obtained for hundreds of women. Though small, the project has helped thousands of rural women exercise collective power and successfully fight poverty and injustice. Their living and working conditions have been remarkably improved and, equally important, they have gained dignity.

274. *Social dialogue.* Social dialogue plays a fundamental role as an instrument of democracy and respect of rights at work. Assisting workers' organizations to extend their representation and services to their members and enhance unions' influence in society has been a major contribution promoting tripartism and social dialogue. Trade unions' capacity for collective bargaining and workers' participation in tripartite bodies was strengthened and structures have been established within national unions to follow social dialogue issues. Projects have sought to consolidate trade union representation and enhance workers' education infrastructure: in Cambodia, improved union skills in negotiation, collective bargaining and understanding of the Cambodian Labour Code and Ministerial Orders (Prakas) resulted in unions increasingly making use of judicial machinery to resolve disputes rather than resort to wildcat strikes. A project sponsored by the United Kingdom for workplace union representatives in Indonesia gave strong impetus to a new style of trade unionism in the country and encouraged better industrial relations based on dialogue and negotiation. A Norway-sponsored project modernized trade union education in the Russian Federation, with particular regard to the transition to a market economy, training 3,000 trade union members on collective bargaining, recruitment of new members, labour law, conflict resolution and wage fixing.

275. *Gender promotion.* The integration of women in technical cooperation programmes is a cross-cutting issue. While women-specific activities were developed, all technical cooperation projects sought to maximize the active involvement of women workers and to include gender and equality concerns. For example, a project in Cambodia funded by Norway contributed to the establishment of committees on gender equality promotion, wages, PRS, HIV/AIDS and child labour. About 60 per cent of the garment and textile sector largely dominated by women is now unionized. Similar activities have been carried out in India with 187 potential women leaders. A women's network was

established in Central and Eastern Europe and the newly independent States through a Flanders-sponsored project.

276. In future, solutions must be found to ensure the full participation of the social partners in all the work of the Office. Tripartite partnerships should not be regarded as optional elements dependent on finances, but rather as central to the effective implementation of the ILO's work programme.

(b) Ensuring the strengthening and use of legal frameworks, institutions, machinery and processes for social dialogue

277. Technical cooperation projects were implemented, often with the involvement of specialists on employers' and workers' activities, to establish and strengthen institutions of social dialogue and enhance the capacity of constituents to engage in collective bargaining, labour relations, conflict management and negotiation techniques. Training in many cases was tripartite, underlining the need to create a climate of trust among the participants and enabling them to appreciate the advantages of tripartism and social dialogue. Projects also contributed to the modernization of labour administrations and the revision of labour legislation. This technical cooperation work had a positive impact on the quality of industrial relations, the resolution of long-standing problems and the consolidation of democracy.

278. A project in southern Africa, for example, enabled government, employers' and workers' representatives to create institutions for dispute resolution, building a climate of trust and thereby providing the building blocks for sustained industrial peace, regional stability and economic development. Significant results were also achieved in projects in Central America. In Costa Rica new regulations on labour inspection led to an improvement in the performance of the labour inspection system. The Government of the Dominican Republic succeeded in a substantial reform of its labour administration, supported by the social partners in tripartite consultations. Tripartite social and economic councils were launched in Costa Rica, Dominican Republic and Honduras. At the same time, sound labour management relations systems have been introduced at the enterprise level in a number of Central American countries, with a view to boosting productivity. One of the priorities of a technical cooperation project in the Andean countries is the modernization of labour administration services linked to the application of labour legislation. Activities in Peru brought the approval of new labour inspection regulations. Technical cooperation contributed to the reinforcement of consultation structures in 19 French-speaking countries in Africa, where ministers of labour and the social partners expressed agreement on the importance of social dialogue in the present economic and social context. The improved social climate led to the adoption of tripartite agreements and the establishment of institutions for the promotion of social dialogue which, in turn, had a direct bearing on economic performance in Niger and Senegal. Enterprises participating in a project in South Asia have experienced no strikes and there has also been a significant change in the attitudes of their managers and workers, based on greater mutual trust.

279. In the Arab States the technical cooperation programme focused on promoting dialogue between the social partners, as well as raising the capacity of employers' and workers' organizations as equal and effective partners in social and economic policy development. Through a programme in Jordan, for example, a tripartite committee was

established within the Ministry of Labour to address labour relations and review the Labour Code in line with international labour standards. A permanent employer and worker committee was also established to ensure continued social dialogue on national development policies and programmes, with balanced representation of the social partners.

Box V.17

Cambodia: Innovative factory monitoring through better factories

The Cambodia *Better Factories* project has successfully tested an innovative approach to improving working conditions and dialogue through a combination of factory monitoring, direct remedial assistance and capacity building.

The ILO hired and trained a team of independent monitors to make unannounced visits to garment factories, based on a checklist of over 500 items. The checklist, based on Cambodian labour law and international labour standards, covers conditions as diverse as freedom of association, wages, working hours, sanitary facilities, machine safety and noise control. The monitoring process is regarded by the Government, unions and employers in Cambodia as credible, transparent and independent. It has also gained the attention of a number of international retailers and buyers, such as Nike, Gap, Sears and Disney.

The monitors provide three stages of reports, with recommendations for improvements: individual reports to the factories based on a first visit; second visits to determine progress; and synthesis reports summarizing overall improvements made in a group of factories. All the synthesis reports are available at <http://www.betterfactories.org>.

The project also provides direct remedial assistance to factories and a range of training opportunities covering workplace cooperation, dispute resolution, occupational safety and health, working conditions, globalization and change processes.

The project collaborates with the Cambodian Ministry of Labour and Vocational Training, the Ministry of Commerce, Cambodian employers' and workers' organizations, multinational buyers, NGOs and local training institutions. It has also developed relationships with a number of donors and international partners, including the Agence française de développement, USAID, World Bank and the Asian Development Bank. Local resource mobilization has been very effective in the context of the project.

The project is an example of how the ILO can make effective use of its unique tripartite advantage to address the challenges of corporate social responsibility and globalization. Multinational enterprises found the project very effective and would like to see similar projects in other countries. While acknowledging that no two countries and, therefore, no two projects are identical, the ILO should examine the principles underlying the *Better Factories* project and consider how they might be implemented in other countries. This will be relevant also in the context of the upcoming InFocus initiative on export processing zones (EPZs) and corporate social responsibility (CSR).

280. In the Americas, workers and employers were convened to agree on strategies to improve labour relations and social dialogue in the context of technical cooperation projects in Central America, such as the PRODIAC (strengthening the consolidation of democracy) and RELACENTRO (industrial relations) projects, as well as in ACTRAV and ACT/EMP activities. The MATAAC project (modernizing labour administrations) in the same subregion led to important reforms in the area of labour administration. In the framework of the Organization of American States (OAS) Inter-American Conference of Ministers of Labour project, labour administrations were evaluated in eight countries and, based on the recommendations, action plans were developed. The FORSAT project is strengthening institutional mechanisms for social dialogue and strengthening labour administration services in the ministries of labour of three Andean countries in the areas of management, labour inspection and restructuring of information services.

281. In Europe, a project to promote social dialogue and enhance national expertise in labour law in the Stability Pact countries led to the endorsement of a series of priority actions by constituents for the improvement of social dialogue. The ILO has also been instrumental in promoting the exchange of experience between old and new EU Member States and in strengthening the role of social dialogue in addressing the challenges of transition. Some of these countries, such as the Czech Republic, have recently become donors for ILO activities in the Balkans.

282. In Ukraine, a process of dialogue was set in motion in 2001 and involved not only employers' and workers' organizations and the Ministry of Labour and Social Policy, but also specialists from the legal profession, academia, other sectors of the government, members of parliament and representatives of many other stakeholders. This dialogue focused on the development of labour legislation and particularly the new draft Labour Code, which was approved by the National Council of Social Partnership. Gender issues have been mainstreamed throughout the activities. Project activities resulted in a change in outlook, with greater importance now being accorded to prevention and dialogue, instead of the more traditional approach of control and punishment.

Box V.18

East Africa: Strengthening labour relations

East Africa has witnessed some measurable changes as a result of a five-year ILO project on strengthening labour relations in East Africa (SLAREA). The three countries involved, the United Republic of Tanzania, Kenya and Uganda, have made significant progress in ratification of the core Conventions, the review and adoption of new labour laws and the establishment and strengthening of social dialogue at national and enterprise level. Employers' and workers' organizations have benefited through increased membership and substantial participation in all these processes.

Uganda ratified Conventions Nos. 87, 100 and 111 in June 2005 with the assistance of the ILO and SLAREA. Tanzania ratified Conventions Nos. 100 and 111 in February 2002 and Kenya is actively examining the ratification of Convention No. 87. Thorough labour law reforms have been completed in all three countries and adopted in the United Republic of Tanzania. In Uganda and Kenya, at the time of writing, the drafts are with the Cabinet and the Parliament respectively. The tripartite process of labour law review has helped to establish this practice in all three countries.

Staff of labour ministries in the three countries have received detailed training in inspection and administration, and senior ministry staff have successfully lobbied Parliament and finance ministers for additional funding, based on training provided by the project.

Staff and members of workers' organizations have received training in organizing, bargaining and communication skills, enabling them to increase and strengthen membership in all three countries. In addition, SLAREA helped with the registration of the previously banned Kenyan Civil Servants' Union. Employers' organizations have been assisted with training in membership services, human resources management and collective bargaining. In Uganda an "Employer of the Year" award has been established by the Federation of Uganda Employers, given to the employer with the best HR practices. The winner is determined on a tripartite basis. Bipartite conciliation and mediation training has contributed substantially to a reduction in strikes and the prevention of labour disputes.

(c) Developing social dialogue on specific issues at international level

283. ILO technical cooperation activities under its programme of sectoral activities have declined in recent years. Nonetheless, several projects on social dialogue and strengthening constituents' capacity include components focusing on specific sectors of

activity, for example, activities undertaken to improve social dialogue, conditions of work and productivity in the apparel sector in Cambodia, Indonesia and Morocco.

284. The ILO's new approach to sectoral labour and social issues via sectoral action programmes is leading to more practical forms of assistance to constituents in various sectors, including the promotion of decent work in agriculture, education and the footwear, textiles and clothing sector and through a multi-sectoral action programme on HIV/AIDS. Sectoral activities often involve the promotion of social dialogue on issues such as working conditions and safety and health.

285. An international programme and a project to promote decent work in the maritime sector have involved the organization of regional and national meetings to promote tripartite discussion of maritime labour standards. This has been supplemented by technical assistance, the production of promotional and training materials and the provision of training for ship inspectors and other maritime officials. The impact has been a rise in the ratification rate of maritime labour Conventions. The inclusion of the 1996 Protocol to the Merchant Shipping (Minimum Standards) Convention, 1976 (No. 147) under the Paris Memorandum of Understanding on Port State Control, which covers all the major European ports, represents considerable progress. The project has facilitated a high level of tripartite participation in the preparation of the new consolidated maritime labour instrument which brings together 68 maritime standards. Future activities will include assisting the establishment of national tripartite maritime committees and the promotion of the new Convention.

286. One programme promoted the development of port worker training structures so that governments and port authorities in developing countries could establish effective and systematic training schemes to improve cargo-handling performance, working conditions, safety and the status and welfare of port workers.

287. A project to develop national codes of best forest practices had a considerable impact in raising awareness, knowledge and interest in forestry industry issues in official circles and among the population as a whole in China, Mongolia, Philippines and Uruguay. The process of preparing these codes is instrumental in developing social dialogue in the sector and the codes have made a significant contribution to improving conditions of work, safety and health, productivity and the sustainable management of forest resources at the national level. Such codes have become important policy tools in several countries and have been incorporated into national legislation.

6. Capacity-building: Role of the International Training Centre of the ILO, Turin

288. This section describes the training programmes of the International Training Centre of the ILO in Turin. Some of the programmes were conducted in conjunction with other units at ILO headquarters and in the field. Information is presented by strategic objective.

(a) Strategic Objective No. 1: Promote and realize standards and fundamental principles and rights at work

Training in international labour standards for judges, lawyers and law professors to promote broader application of standards in member States through judicial practice

289. An evaluation was conducted by the Centre of the impact of 13 such courses organized over the past few years. The findings show in particular that the courses had a positive threefold impact: in most cases there was a major improvement in participants' capacity and individual performance; there were improvements in the functioning, behaviour and performance of the institutions where participants worked; and there was an impact on national legal systems concerning labour law (including both legislation and case law, as well as advances through collective bargaining).

290. The ILO project on freedom of association trains workers, employers and government representatives in international labour standards concerning freedom of association. The project, organized at the request of constituents, also aims to support technical cooperation activities conducted by the International Labour Standards Department. Some courses are targeted at judges, law professors and lawyers, while others are intended for parliamentarians.

291. Since its inception in 2001, the project has organized about 15 activities a year, involving 640 participants in all. Most training is provided in the field and all regions worldwide have been covered. The findings of the evaluations conducted after each activity confirm the major interest among the target audience for this type of course and the relevance of the training for the participants' institutions.

(b) Strategic Objective No. 2: Create greater opportunities for women and men to secure decent employment and income

(i) Entrepreneurship development and handicrafts for women in Afghanistan

292. In Afghanistan more than 60 women trainers – business advisers and handicraft specialists – received training in enterprise development and/or handicraft quality improvement for promoting women's economic development (five training activities were implemented in Turin) and 127 potential and active women entrepreneurs received training in business awareness (five courses were implemented jointly with local project partner institutions). The training was replicated by those who had participated in the Turin courses, coached by Turin staff and experts. The project reached a total of 218 Afghan women (the target was 105). A complete set of training materials on business awareness, start-ups and better management, was developed for the use of Afghan trainers.

(ii) Training and development of business development services for small business associations in Chile

293. Chile has more than 3,000 business associations, mostly representing small and micro-enterprises. These small business associations provide business development

services to their members and have considerable potential to promote decent work in small and micro-enterprises. In order to build the capacity of these associations to design and deliver effective business development services, the Turin Centre implemented a project during 2003 and 2004 to train their leaders and staff. This project was jointly implemented with a Flemish technical counterpart, UNIZO, and with the assistance of the Chilean small enterprise development agency, SERCOTEC.

294. Fifteen leaders and professional staff of small business associations from eight regions were trained in Turin and were able to replicate this training in 35 training activities conducted in Chile, reaching a total of 247 leaders, members and professional staff of small business associations in that country. A series of indicators was developed to measure the achievement of objectives for institution-building programmes focused on small business associations.

(c) Strategic Objective No. 3: Enhance the coverage and effectiveness of social protection for all

(i) Social security in the Southern Cone

295. This was a distance learning project for 48 constituents from the Southern Cone countries (Argentina, Brazil, Chile, Paraguay and Uruguay) on the governance and management of social security systems, for which didactic material was developed. This was based on a preliminary study on the identification of the competencies needed for managers and decision-makers of social security schemes. The project was tripartite and implemented through distance learning (a virtual platform on the Internet) and with the support of tutors. The tripartite focus, the development of pre-selected competences and the cross-fertilization of different national experience were among the main features of this project. High-level tripartite representatives of the countries concerned participated in this project.

296. The didactic material and virtual platform have been improved and adapted for a new edition in 2006 for tripartite representatives of Andean and Central American countries.

(ii) Improving safety and health and working conditions in the maritime sector, St. Petersburg, Russian Federation

297. This project strengthened the capacities of government institutions and the social partners to ensure adequate implementation of labour protection policies and regulations within the maritime sector (shipping and ports). The project, initially focused on St. Petersburg, involved high-level representatives of all institutions responsible for policy in the maritime sector at the federal level as well as employers' and workers' representatives ensuring political support, visibility and wider dissemination of the results of the project.

(d) Strategic Objective No. 4: Strengthen tripartism and social dialogue

298. Albania's Labour Code provides mechanisms for collective labour dispute settlement, such as mediation, conciliation and arbitration. Other legislation provides guidance on implementation procedures and mechanisms. The Ministry of Labour and Social Protection and the social partners have agreed on the urgent need to train the

persons dealing with labour relations and mediation in methods and techniques of dialogue and communication for the mediation of collective disputes. The Turin Centre accordingly designed and implemented a project to address this need.

299. At the end of the project, 51 persons who play a key role in the implementation of the new labour dispute system have been trained and acquired skills that enable them to mediate labour disputes effectively. A core group of mediators has been selected to become trainers. They have been associated in the design, implementation and evaluation of local courses. Following the project, the Ministry decided to set up a team of labour dispute mediation trainers.

300. The Workers' Activities Programme of the Turin Centre has developed a comprehensive communications system designed for labour unions in developing countries. SoliComm – the solidarity communications system – provides computer communication services for electronic mail, email lists, computer conferencing and web site hosting. The services are based on free, open-source software and available without charge. SoliComm is designed to be used particularly for labour education in developing countries. Its computer conferencing system module, for example, allows participants to work in online educational conferences from cybercafes or by using a communications programme designed by the Centre to be used in areas where Internet costs are high, telephone costs are expensive or electricity is undependable.

301. SoliComm is bringing electronic communications to labour institutions which could not previously afford them. It helps build their capacity to engage in social dialogue. Because many union members in developing countries do not have their own email addresses, SoliComm provides free email services. This service operates both via the Web and through standard mail client software such as Outlook Express or Thunderbird. The institutions can use SoliComm to create email lists (which facilitate the sending of email to large numbers of recipients) and host their own web sites. Software for creating web sites is provided free of charge. Courses on how to design the web sites are conducted by the Workers' Activities Programme as part of its regular online and residential activities.

7. Cross-cutting issues

(a) Mainstreaming tripartism

302. As the ILO's bedrock, tripartism and social dialogue are both integral components of the Decent Work Agenda and essential instruments for achieving it. Over recent years a more critical perspective has emerged, however, which suggests that too great a reliance has been placed on the form and processes of dialogue, while giving insufficient attention to its role as an essential instrument of policy formulation and implementation, so that "social dialogue is at times treated as being somewhat marginal to the ILO's work in other fields, an afterthought rather than an essential component of projects and other activities".¹⁹

303. The importance of tripartism and social dialogue in underpinning the ILO's work in all fields throughout its technical cooperation programme was reaffirmed in the resolution concerning tripartism and social dialogue, adopted by the International Labour

¹⁹ Governing Body document GB.289/TC/1, para. 54, Geneva, Mar. 2004.

Conference at its 90th Session (June 2002). At its 285th Session, the Governing Body made recommendations for follow-up on this resolution and requested the Director-General, *inter alia*, to establish a plan of action to ensure that the various sectors of the Office are strengthened and reinforced in order to be able to operationalize their strategic objectives through tripartism and social dialogue.²⁰ A foundation for mainstreaming tripartism and social dialogue throughout the Office was set out along two parallel lines: the development and collection of good practices at the national level and mainstreaming tripartism internally throughout the ILO.

304. The obstacles to social dialogue and tripartism that exist at the national level are not negligible. Principal among them are legal barriers, lack of political will, weak institutional and organizational structures and the limited technical capacity of the social partners. Legal barriers are particularly evident in countries that have not ratified or implemented the core labour standards, particularly Conventions Nos. 87 and 98. Obstacles to freedom of association are particularly faced by trade unions.

305. Reviews and assessments of the use of tripartism and social dialogue within the ILO, while highlighting numerous examples of good practice, also showed that the integration of tripartism and social dialogue in ILO activities remained uneven. Projects regularly made use of tripartite steering committees or advisory bodies, but the actual involvement of constituents in the needs assessment, design, implementation and monitoring of technical cooperation projects was not always evident. The role of ACT/EMP and ACTRAV specialists was seen as key in mainstreaming tripartism and social dialogue into the ILO's work, but in many instances such collaboration was limited to the development or elaboration of a programme and did not continue through implementation. Reasons given ranged from a lack of in-house culture to consult, to a lack of clarity on the roles of the Bureaux, the availability of specialists or the lack of resources to finance their participation. A number of technical areas were identified where gaps existed in the capacity of the social partners, thereby limiting the effectiveness of their participation. There also appeared to be insufficient information as to how to mainstream social dialogue and tripartism as a means to achieve the strategic objectives in all areas of the ILO's work.

306. As a result, a number of efforts were initiated in 2004-05 in follow-up to the resolution to address these shortcomings. A mainstream strategy on expanding the influence of social partners, social dialogue and tripartism has been integrated into the Programme and Budget for 2006-07, serving a dual purpose. First, the strategy reinforced the institutional importance of mainstreaming tripartism and social dialogue throughout the Office and provided guidance on how this can be achieved. Secondly, it has created a reporting obligation for all departments and field offices, enabling the Office to monitor performance more effectively. The preparation of the programme and budget already incorporated a process whereby the Social Dialogue Sector reviewed all proposals and made suggestions for better mainstreaming tripartism and social dialogue. In addition, measures are being taken to strengthen the role that constituents will play in identifying priorities for designing and implementing DWCPs.

307. A series of national pilot programmes was launched in 2004-05 in partnership with national constituents. They were intended to demonstrate the added value of using social dialogue as the tool to ensure that constituents have a real voice in addressing and

²⁰ Governing Body document GB.285/7/1, Nov. 2002.

resolving the substantive issues confronting them. Results already achieved in 2005 include:

- In Senegal, the tripartite Comité national de dialogue social (CNDS) has been addressing the extension of social protection to the informal economy through social dialogue. A feasibility study on the establishment of a health insurance scheme for road transportation workers has been undertaken and will serve as the basis for dialogue.
- ILO constituents in Turkey have focused their attention on using social dialogue as a means to promote local employment and address the unregistered economy in two provinces. The tripartite provincial working groups, in collaboration with the provincial employment boards and their national counterparts will, in 2006, present a set of recommendations for addressing unregistered employment at the local and national levels.

308. Lessons learned from these national programmes will be incorporated into a toolkit to assist ILO staff with mainstreaming tripartism into their regular work programmes.

309. Following decisions taken by the Governing Body at its 292nd Session (March 2005), additional efforts have been made to mainstream tripartism and social dialogue in Office programmes and policies. The principles of tripartism and social dialogue have been further embedded in technical cooperation activities; clear protocols have been developed for consultations and to facilitate relations between the Bureaux for Employers' and Workers' Activities and other units across the Office; and training initiatives on the importance of tripartism and social dialogue – including the key roles played by labour administration, workers and employers – have been strengthened, particularly with respect to new staff orientation and management training. The impact of these measures will be closely monitored and the results reported to the Governing Body on a regular basis.

(b) Gender equality in technical cooperation

310. The Bureau for Gender Equality (GENDER) has sought to identify more effective ways of supporting the ILO's overall technical cooperation programme. This support was initially provided by the ILO Gender Network, including the regional gender specialists in the field. As GENDER was not directly responsible for coordinating or implementing projects, it lacked direct hands-on experience with project management. This limited the Bureau's possibilities to monitor and expand the ILO's knowledge base on ways to mainstream gender issues practically and strategically in technical cooperation projects addressing the four strategic objectives.

311. Since 2002 GENDER has taken a more active role in supporting the ILO's overall technical cooperation programme and has the responsibility to report back to the Governing Body, when required, on the work carried out by the Office on gender issues in technical cooperation. The Bureau for Gender Equality also works to promote Conventions Nos. 100, 111 and 156 in conjunction with other Office units.

Box V.19
Gender equality in Kenya

The African Development Bank (ADB) has approved a sh.869 million financing package to support the development of women entrepreneurs in Kenya, it was announced yesterday. Dr. Leila Mokaddem, the Bank's principal investment economist, said money would be available to well-established private banks for on-lending to women clients. The ADB facility will guarantee up to 50 per cent of the credit that the banks extend to women-owned enterprises.

Mokaddem regretted that many financial institutions in Africa still lacked confidence in women-owned projects, rendering them unable to access credit. "The facility aims to address this problem by assuring banks that lending to women is a safe business decision," she said.

Mokaddem was speaking during the launch of an African Development Bank and ILO initiative to support the development of women entrepreneurs. During the function, a report on the proposed framework for creating an enabling environment for women entrepreneurs was launched. The report contains aspects of ILO's research work and support activities for women entrepreneurs in Africa.

It goes beyond mere identification of the problems facing women entrepreneurs and proposes practical solutions to the impediments. The report identifies lack of access to business finance and focused business development services as some of the key obstacles to women's development.

Trade and Industry Permanent Secretary, David Nalo, welcomed the ADB programme. He said the initiative provided the surest way to the economic empowerment of women. He said such efforts would boost the management and technical capacity of growth-oriented women-owned enterprises in Kenya. Nalo urged the Bank to consider disbursing part of the money through public institutions such as the Industrial Development Bank and Kenya Industrial Estate (KIE) for on-lending to budding industrialists. The Government was committed to executing policies that ensure gender equality and the promotion of entrepreneurship among women. Nalo said the Government was developing a plan on gender development and had established gender units in every ministry. In order to improve the business environment, he said, the Government had set up an Investment Promotion Authority and come up with a comprehensive framework for private sector development.

Source: John Oyuke, *All Africa Wire Service*, November 2005.

312. GENDER has become an increasingly active player in implementing projects that contribute to knowledge sharing and knowledge management on issues related to gender equality in the world of work. In this way GENDER aims to support ILO staff and constituents to enhance their capacity in planning, implementing, monitoring and evaluating technical cooperation projects in a gender-sensitive manner. The following examples are cited.

313. *An interregional project aimed at enhancing the ILO's gender mainstreaming capacity.* The project was a successful pilot programme which contributed to the establishment of mechanisms for the institutionalization of the gender equality debate among constituents in four countries: China, Nepal, United Republic of Tanzania and Uganda. The main focus of the project was on capacity building for gender mainstreaming and strengthening social dialogue and networking on labour and gender issues between ILO constituents and selected national machinery addressing gender issues in the four countries.

314. The project evaluation indicated that it contributed significantly to greater awareness, understanding and capacity on gender equality issues related to employment, social protection and normative issues among policy decision-makers from constituents.

Other positive indicators of success included the fact that the adopted gender mainstreaming strategies and action plans continued to be used beyond the life of the project. The evaluation also shows how the employers' and workers' organizations in all four countries have introduced measures to reduce gender bias within their structures and programmes and there are clear indications of an increase in women's representation in management positions.

315. During the period 2004-06, the Bureau for Gender Equality has coordinated the *Gender Equality Theme* in its partnership with the Netherlands. The focus has been on managing and sharing knowledge on ways to promote gender equality in the world of work in technical cooperation activities and to offer support to 13 projects through the programme. These projects consist of both gender/women-specific projects and projects including explicit measures to mainstream gender into technical fields such as child domestic work, employment creation, social security and forced and bonded labour. This strategy has been applied with the aim of expanding the ILO's knowledge base on how different gender mainstreaming approaches can be applied in creating linkages between gender-sensitive policy orientation and various technical areas. The regular monitoring of the different gender mainstreaming strategies applied by the various projects has for the first time allowed the ILO to observe systematically the effectiveness and the challenges of the different approaches used. The expanded knowledge base on how to advance the ILO's shared policy objective on gender equality has thus become a tangible output.

Box V.20

Yemen: Promoting gender equality through capacity building

An employment project for women in Yemen is an excellent example of how to promote gender equality not only in employment, but also in national initiatives related to poverty reduction strategy (PRS) processes and the Millennium Development Goals (MDGs). This involves capacity building at the project launch phase.

As a result of the project, policy advice on gender issues has led the government to operationalize many elements of the national women's employment strategy, which include employment opportunities, working conditions and perceptions of working women. In addition, a tripartite advisory committee, the first of its kind, was set up for project management and for capacity-building activities on gender and decent work, while building partnerships with the social partners and the National Women's Council.

316. The ILO Gender Equality Partnership Fund was set up in 2002, covering 14 projects implemented in 25 countries across Africa, Asia and the Pacific, Latin America and Europe. The Fund offers a practical way of increasing gender-equality awareness and capacity within the constituents' own organizations, as well as addressing gender issues in the world of work. The Fund assists constituents to devise strategies and action plans to enhance their institutional capacity to integrate gender mainstreaming into their policies and programmes. It also finances the development of practical training tools for gender mainstreaming, such as manuals, compilations of good practices and guidelines. The Bureau for Gender Equality coordinates the Fund while technical backstopping and advisory services are provided by the ILO's regional offices and gender specialists. The success of the Fund is clearly rooted in the full decentralization of project management to the field structure.

317. *Good practices for gender equality. Sharing knowledge and communicating.* One effective way of encouraging ILO constituents to mainstream gender into their structures and programmes has proven to be sharing information on good practice. There was a

clear need for a resource tool offering concrete examples on how to approach gender equality issues across all the strategic objectives and in many different contexts. To meet this need, the Office has produced the good practices gender equality tool. Constituents in more than 25 countries identified and wrote up descriptions of practices and experiences to show how governments and social partners are bringing gender equality into their institutional structures, policies, programmes and activities. It offers lessons learned and an analysis and classification of the different strategies and suggests potential advantages and challenges for each. It underlines, however, that good practices reflect their contexts so that what works in one place may need to be approached differently in another.

318. Employers' and workers' organizations are already putting the good practices gender equality tool to work to help address issues such as increasing the number of female decision-makers in trade unions and employers' organizations in Nepal, Yemen and many West African States.²¹ The tool earned such strong response it became an official ILO publication in book format and as a CD-ROM, with the English version already in a second printing.

²¹ ILO: *Gender equality and decent work: Good practices at the workplace*, Bureau for Gender Equality, Geneva, 2005. Also in French and Spanish. See <http://www.ilo.org/dyn/gender/>.

VI. Outlook for the future: Possible issues for discussion

319. This final section is intended to enable the Conference to discuss the main points of the previous sections in the light of current needs and in particular to provide guidance on technical cooperation policy for the coming years. The challenges of delivering decent work through country programmes, collaborating with other multilateral and bilateral development agencies, establishing effective partnerships for technical cooperation with constituents and others, and securing additional resources for ILO activities require a sound policy base defining the modalities and frameworks through which the ILO delivers technical cooperation.

1. Decent work: Maintaining the international momentum

320. Decent work and fair globalization are sadly wanting in today's world, but the world has now acknowledged their relevance to development as a whole. The path from the Millennium Declaration to the World Summit Outcome Document of September 2005 illustrates how the international community has come to accept the need to address social and economic development in tandem. It also shows how it has assimilated the aims of decent work – which are a contemporary expression of the ILO's strategic programme priorities and focus – and accepted the need for globalization that is fair, which is essential to prevent a regression to protectionism. Placing people at the centre of development and sharing the fruits of growth equitably are now global goals.

321. The ILO offers by far the best forum in which to operationalize the relation between employment creation and quality jobs. Only through decent conditions of work can productivity gains be sustained over time. The ILO has strived throughout its existence to make labour markets work better: improving information and analysis, providing technical advice on skills and employability, promoting freedom of association, collective bargaining and social dialogue, and encouraging entrepreneurship and innovation.

322. What does this mean for technical cooperation? Here the Conference can provide valuable guidance on what constitutes the best policy to pursue the strategic objectives through technical cooperation. But the ILO has to do so in a context of greater collaboration with partners, both within the United Nations system and outside. The Conference may wish to address the following questions.

How can the ILO most effectively promote its mandated task of promoting labour standards and the Decent Work Agenda, retain control of its distinct contributions and remain directly responsive to the needs and priorities of its constituents under the new conditions for coordination and programming of United Nations system operational activities for development?

2. Complementing system-wide approaches:

- Tripartism, a model for civil society relations**
- International labour standards**

323. As stated above, the context in which international organizations must now operate is one of complementarity and synergy in order to maximize the returns on the combined efforts of so many different actors.

324. Comparative advantage will only be relevant in so far as it increases the contribution of each of the actors involved. Each agency must therefore reflect on how best to apply its own strategic advantage and put it to good use in ways that match the endeavours of others and lend added value to the development effort as a whole, while at the same time furthering its own aims and mandates.

325. The ILO's specific role within the multilateral system and the development community is that of a unique tripartite agency dealing with the development of economic and social policies on the substance of which it has recognized expertise to offer and operating within a legal and policy framework that is based on international standards elaborated on a tripartite basis. The ILO, therefore, is not just one among many other development actors seeking funding for specific projects. Decent work is now not only the ILO agenda, but also a central pillar of the development agenda at large. Tripartism, expertise on labour issues and international labour standards represent key assets which confer on the ILO an indisputable comparative advantage.

326. International labour standards are a unique type of instrument in international law and the ILO's supervisory procedures guarantee follow-up on their implementation. No other international organization has such legislative power or procedures. Moreover, the tripartite basis on which standards are adopted guarantees that they take account of a broad range of concerns through a full discussion of the issues. The adoption of the ILO Declaration on Fundamental Principles and Rights at Work and the identification of the core labour standards as the basis for defining decent work represented a restatement of the ILO's basic purpose. There remains a large body of other Conventions that retain all their validity and, even if not ratified, can inform policy by offering guidance on key principles as promotional texts. Standards remain central to the identity of the ILO. They are a valuable technical asset embodying expert negotiated opinion on key social issues and guiding ILO technical cooperation.

327. At a time when other organizations have only recently woken up to the need to draw on the potential of civil society in their work, the ILO can already point to a long history of continuous involvement with employers' and workers' organizations as the social partners and as key constituents. The ILO has hence already developed the essentials of such methods of operation – ground rules on the autonomy of groups, democratic constitutional and voting procedures, accountability to the membership and consultation mechanisms to give expression to tripartism. In this it enjoys an enormous advantage over other agencies, but its full potential has not been fully tapped.

328. In the present increasingly competitive environment for agency involvement in development efforts, it is essential for the ILO to address the need to market its products more effectively. In the context of national ownership this means ensuring that governments are fully aware of the ILO's values and the rationale for its policies and in an increasingly democratic world it means at the same time educating public opinion to inform electoral choice.

329. So many of the ground-breaking social advances of the twentieth century now taken for granted, at least in the developed world, resulted from ILO action. Yet the ILO remains relatively unknown in the public eye and unacknowledged as the source of such progress. Why is this? Would not greater efforts to explain to the public at large the purpose and historical achievements of the ILO bear fruit in the form of greater recognition and resonance of our message? Would such efforts help overcome the reticence in some quarters to actively engage with the world of labour, which they perceive as complex, legalistic and slow? Tripartism is after all the concrete expression of democratic freedom in industrial relations: democracy involves consultation and in the long run it is more effective than actions taken arbitrarily by autonomous unaccountable actors.

330. The commitment by the World Summit of September 2005 reflects wider recognition of the value of decent work and efforts to build on that recognition must be expanded. Here the Conference can provide useful guidance. Reflection is needed on how to raise the ILO's profile and ensure the ILO is better understood in the international community. This might include some of the following:

- Targeted discussions with major international organizations on how greater account could be taken of the ILO's tripartite constituency in their activities and what added value ILO constituents could bring to the external partners' activities, in particular in terms of national ownership of development strategies and frameworks underlying technical cooperation programmes.
- Greater involvement of those organizations in meetings organized by employers and workers, both in ILO settings and elsewhere.
- Drawing the special attention of major external partners to the outcomes of meetings organized by ACTRAV and ACT/EMP.
- Identifying new opportunities for promoting tripartite approaches to the development agenda beyond the ILO's traditional constituency by:
 - broader involvement of the social partners in various activities within the major development frameworks (Millennium Development Goals (MDGs), Poverty Reduction Strategy Papers (PRSPs), United Nations Development Group (UNDG)), as well as in the ILO dialogue with the international financial institutions and the World Trade Organization;
 - expanding work to involve the social partners in discussions to promote and strengthen the social policy and social development components of national PRSPs;
 - developing ILO relations with parliamentarians through the social partners;
 - exploring the opportunities offered by national tripartite constitutional bodies, such as economic and social councils, as well as national tripartite ILO commissions, which already exist in a number of countries, for broader promotion of the ILO's strategic objectives.
- Examining the feasibility of co-sponsoring, jointly with the global trade union federations and the International Organization of Employers (IOE), representatives of trade unions and employers to be seconded for specific work experience in major international organizations. This would require much closer interaction between ACT/EMP and ACTRAV on the one hand and EXREL on the other, to establish an effective mechanism for exchanges of information and consultations to

ensure the implementation of the suggested measures. Such interaction could also include preparing briefings for Employer and Worker members of the Governing Body – to be conducted by ACT/EMP and ACTRAV respectively – on significant developments in ILO external relations.

What is the best strategy to raise the ILO's profile and ensure the ILO is better understood in the international community?

3. Mobilizing resources and political support: Decent work country programmes (DWCPs) and partnerships

331. The Office has been instrumental in promoting partnerships between constituents (governments, employers' and workers' organizations), other actors and donor agencies over much of its history. Assistance to different sectors of industry, on a tripartite basis, has also been a prominent feature of this partnership approach.

332. As development cooperation activities are concentrated at the country level, in order to ensure full ownership, national priority-setting and maximal inclusion of national stakeholders, the ILO's action is being directed to support DWCPs.

333. However, to increase the resource base it is necessary to examine new methods of working that meet donors' and beneficiaries' expectations of complementary and coherent approaches and at the same time address national priorities effectively. Partnerships must therefore be developed between ILO constituents and with major development actors, alongside greater coordination with United Nations agencies and other development actors and foster ILO-donor agency partnering for the purpose of funding the ILO's operational programmes.

334. Employers' and workers' organizations are part of the ILO's structure. They are not external actors, but an integral part of the Organization. Their role is that of a unique extension to the usual assets available to international organizations. Some possible questions here are suggested in the following.

How can tripartism be best utilized in the delivery of technical cooperation? What new machinery or processes would help increase the impact of employers' and workers' organizations on decent work?

335. The quest for new working methods and in particular the aim of developing partnerships, will require resources, as described in section IV. Partnerships, however, help mobilize resources more coherently and efficiently. To the extent possible new partnership initiatives should aim ultimately to be self-financing, but adequate resources must be earmarked at the outset to make the partnerships work.

What strategy should the ILO pursue in utilizing partnerships to mobilize financial resources, including through constituents?

4. Implications for the ILO programme

336. Efforts described above to educate public opinion, inform policy choice and create an enabling environment for expanded ILO activity in technical cooperation necessarily involve attention to a number of related programme issues.

337. Sound arguments are needed to convince the main donors' constituents of the value of decent work as the basis for sound development. Such research and argumentation would provide a solid platform for a more structured and strategic policy dialogue with donors and other institutions to catalyse stronger policy support for ILO strategic objectives from them in future.

What is the best strategy to develop the ILO's research base so as to produce convincing arguments and more empirical evidence demonstrating that respect of fundamental rights at work and execution of the Decent Work Agenda as a whole, also bring economic benefits and more sustainable socio-economic development? How can the ILO stimulate the examination and dissemination of such findings by others?

338. Section II has described efforts to ensure that technical cooperation is integrated and fully supports the ILO's new strategic framework. The situation in the world of work is forcing the ILO to focus even more on selected products and to address clusters that are attracting worldwide resources and investment as well as shaping the labour force of the future.

How would the ILO's technical capacities be best integrated in technical cooperation to produce more coherent products and outcomes?

What kind of products should the ILO develop for strategic productive sectors that will drive some of the DWCPs so as to bring more focused ILO technical capacity in those sectors?

Appendix I

Resolution and Conclusions concerning the role of the ILO in technical cooperation, adopted by the International Labour Conference in 1999

The point of departure for the technical cooperation programme undertaken and described in this report are the resolution and Conclusions concerning the role of the ILO in technical cooperation, adopted by the International Labour Conference in 1999. The following Conclusions on the future orientation of ILO technical cooperation policy are recalled.¹

(a) A renewed commitment

The ILO renews its commitment to technical cooperation as a fundamental means of action to achieve its mission and realize its objectives and must remain a major instrument of the ILO to promote opportunities for women and men to obtain decent and productive work, in conditions of freedom, equity, security and human dignity.

The role of ILO technical cooperation is to help create the enabling environment, at the national and the international levels, for the realization of the values and principles of the Organization in terms of development, institutional capability, legislation and economic and social policy. It must do so by promoting the four strategic objectives and the cross-cutting issues.

These activities have to be carried out within the new and changing framework of an emerging global economy and rapidly evolving national needs. The ILO must assist member States in the adaptation of national economies and national institutions to global change, as well as the adaptation of global change to human needs.

Technical cooperation programmes that support enterprise promotion and entrepreneurial activity must be continued. Programmes that contribute to the creation of small enterprises must be strongly supported.

(b) A coherent approach

Technical cooperation should have coherence in its focus and implementation. Coherence refers to both how resources are allocated and to the subject-matter of technical cooperation. In general, resources should be concentrated on more focused programmes.

One vital contribution of technical cooperation is in building the expertise, the capacity and the know-how of constituents.

¹ International Labour Conference, 89th Session (1999): Resolution and Conclusions concerning the role of the ILO in technical cooperation, <http://www.ilo.org/public/english/standards/relm/ilc/ilc87/com-tc.htm>.

Regional integration has become, for some, a contemporary reality. This requires that the emerging economic and social requirements of regional integration receive attention and are incorporated in the technical cooperation programme of the ILO.

The ILO needs to build and strengthen a capacity for engagement in macroeconomic issues. There is also a similar need to strengthen the capacity of the trade unions, employers' organizations and governments in order that they are capable, for example, of evaluating the trade-offs inherent in economic policy and globalization. This will facilitate a deeper exchange and interaction among the three parties and in responding to the Breton Woods institutions.

(c) Responding to constituents' needs

The ILO should adopt a participative, flexible and dynamic policy of technical cooperation, drawing upon the experience of decentralization and regional programmes of the 1970s and 1980s and upon the new global, socio-economic developments. It must be sensitive and responsive, above all, to regional diversity and the specificity of national needs within, of course, the framework of the four strategic objectives and the promotion of the Declaration on Fundamental Principles and Rights at Work.

The quality and impact of ILO technical cooperation are central to the constituents' concerns. It must be focused to serve the strategic objectives of ILO constituents as a whole and to maximize impact. It must be realistic in terms of the institutional competencies of the ILO and available resources.

(d) Tripartism

The unique composition of the ILO within the United Nations family as a body made up of trade unions, employers' organizations and governments, is a real strength which can be used to advantage in technical cooperation. This advantage must be used more systematically and more effectively.

Specific programmes requiring autonomy excepted, the ILO needs to draw the tripartite constituents into all aspects of technical cooperation.

(e) Gender equality

When pursuing the four strategic objectives and when implementing the InFocus programmes, it is crucial to secure that gender aspects and questions of equal opportunity are being mainstreamed in all the programmes, thus ensuring that issues of vital importance to women all over the world are not neglected or under-resourced.

(f) Follow-up to the Declaration

The Declaration on Fundamental Principles and Rights at Work and its Follow-up and the strategic objectives provide a clear framework for future technical cooperation. The ILO must support States in their efforts to give effect to the principles and rights of the Declaration.

The ILO's technical cooperation should also contribute to the continuation and strengthening of the campaign for the ratification of core Conventions launched in 1995, in accordance with the decisions of the Governing Body.

(g) Partnerships

The whole of the multilateral system should better integrate its technical cooperation activities. The ILO must become a full team player by fostering partnerships and networking not

only in the design but also in the implementation of its programmes. The core partnership is between the Office and its primary constituents: governments, employers and workers.

The ILO must intensify its efforts to ensure the active promotion of all its core values as embedded in the Declaration, throughout the United Nations system and the Breton Woods institutions. Their programmes and activities should encourage the promotion of the relevant ILO standards.

Relationships should be intensified to ensure the mutual appreciation of the role played by technical cooperation and the promotion of the Declaration in the development programmes of the international financial institutions.

At the country level, the ILO must be active in the United Nations Development Assistance Framework (UNDAF) to ensure that its constituents' priorities are effectively pursued, while optimizing the potential capacities of the United Nations system as a whole. All these partnerships must be built on a realistic perception of both the common objectives and the specific interests of the partners concerned, so that the ILO can uphold the values and concerns of its own constituents more effectively in a wider arena.

As a knowledge, service and advocacy organization, the ILO should, without weakening tripartism, develop relations with other actors in civil society that share its values and objectives.

Appendix II

Statistical annexes

Annex 1

Local resource mobilization: Comparison with total approvals

A. By donor category

	2002-04				% share: Locally mobilized/ total XB-TC
	Total XB-TC		Locally mobilized		
	US\$	% share	US\$	% share	
Multi-bilateral donors	425.0	88.6	52.0	60.9	12.2
Direct trust funds	7.7	1.6	6.6	7.7	85.8
Non-state actors	6.5	1.4	1.6	1.9	25.2
IFIs (banks)	3.7	0.8	3.6	4.2	97.2
United Nations	29.0	6.0	19.6	23.0	67.7
Other intergovernmental organizations	7.8	1.6	2.0	2.3	25.2
Total	479.6	100.0	85.4	100.0	17.8

B. By strategic objective

	2002-04				% share: Locally mobilized/ total XB-TC
	Total XB-TC		Locally mobilized		
	US\$	% share	US\$	% share	
Standards	232.4	48.4	28.6	33.5	12.3
Employment	110.4	23.0	44.5	52.1	40.3
Social protection	64.8	13.5	5.2	6.0	8.0
Social dialogue	33.5	7.0	5.6	6.6	16.8
Integration	2.3	0.5	0.1	0.1	3.0
Others	36.2	7.6	1.5	1.7	4.0
Total	479.6	100.0	85.4	100.0	17.8

Annex 2

Approvals by donor category (US\$'000)

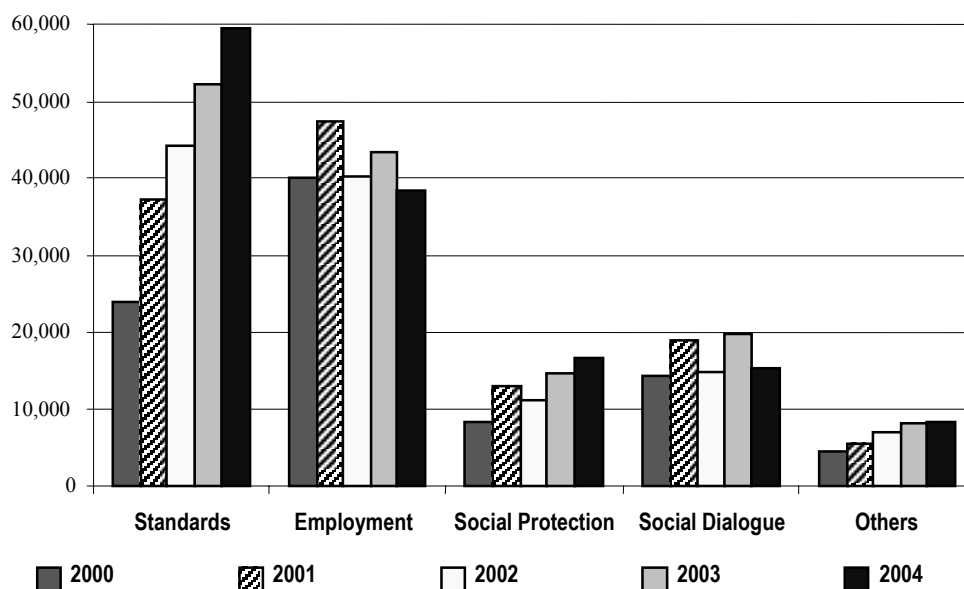
Donors	2000	2001	2002	2003	2004	2000-04		
						Total	Average	% share
Multi-bilateral donors								
United States	50 726	73 500	67 378	67 900	52 802	312 307	62 461	40.6
Netherlands	22 104	574	42 978	2 587	8 357	76 599	15 320	10.0
United Kingdom	1 632	27 648	2 591	14 069	9 193	55 133	11 027	7.2
Italy	12 701	3 066	11 784	12 012	5 438	45 001	9 000	5.9
Norway	8 437	4 131	3 846	1 039	12 788	30 242	6 048	3.9
France	4 537	4 400	5 416	2 790	5 600	22 743	4 549	3.0
Denmark	6 125	4 020	1 580	3 010	7 689	22 424	4 485	2.9
Sweden	–	8 910	4 335	2 183	3 146	18 574	3 715	2.4
Germany	1 004	775	5 200	3 369	3 666	14 014	2 803	1.8
Japan	3 841	2 872	1 330	3 212	2 616	13 872	2 774	1.8
Spain	1 470	593	4 451	5 008	2 282	13 805	2 761	1.8
Ireland	152	3 079		1 811	7 252	12 293	2 459	1.6
Switzerland	1 991	2 099	4 511	3 173	1	11 776	2 355	1.5
Canada	2 022	1 917	1 863	2 953	2 655	11 409	2 282	1.5
Belgium	161	236	1 910	2 178	2 288	6 774	1 355	0.9
Portugal		1 045	2 419	2 274	420	6 158	1 232	0.8
Luxembourg	140	4 360			273	4 773	955	0.6
Finland	991	385	321	430	1 219	3 346	669	0.4
Flanders			485	868	1 011	2 363	473	0.3
Australia		67	218	44	798	1 127	225	0.1
Panama		500	250	250		1 000	200	0.1
Republic of Korea			168	500	184	852	170	0.1
Austria		623		150		773	155	0.1
Multi-donors				235		235	47	0.0
Kuwait					104	104	21	0.0
Nordic Development Fund		50				50	10	0.0
New Zealand			41			41	8	0.0
Poland		19				39	8	0.0
Czech Republic						36	7	0.0
Hungary		16				16	3	0.0
Subtotal multi-bi donors	118 034	144 885	163 078	132 044	129 838	687 880	137 576	89.5
Direct trust funds	676	625	484	1 163	6 053	9 000	1 800	1.2
Non-state actors								
Foundations	40	808	577	648		2 072	414	0.3

The role of the ILO in technical cooperation

Donors	2000	2001	2002	2003	2004	2000-04		
						Total	Average	% share
Public institutions					635	635	127	0.1
Social partners	1 390	380	1 439	1 020	1 335	5 565	1 113	0.7
Private sector initiatives			164	157	144	465	93	0.1
Others	171	1 534	319	61	6	2 091	418	0.3
Subtotal non-state actors	1 601	2 722	2 499	1 886	2 120	10 827	2 165	1.4
IFIs (banks)	2 939	573	1 580	1 725	372	7 190	1 438	0.9
United Nations								
UNDP	8 736	2 843	8 063	2 799	8 276	30 718	6 144	4.0
UNDG Iraq TF					321	321	64	0.0
UNAIDS		1 751	656	5 734	1 490	9 631	1 926	1.3
UNDCP	1 606	300				1 905	381	0.2
UNFPA	503	806		15		1 324	265	0.2
UNHSF				1 179		1 179	236	0.2
UNFIP				86	190	276	55	0.0
UNHCR	20	23		12	139	195	39	0.0
UNMIK		46				46	9	0.0
UNESCO			20			20	4	0.0
UN Volunteers			18			18	4	0.0
UNIFEM			15			15	3	0.0
Subtotal United Nations	10 866	5 768	8 772	9 826	10 416	45 648	9 130	5.9
European Union	552			4 183	3 571	8 306	1 661	1.1
Total donors	134 667	154 572	176 414	150 826	152 371	768 850	153 770	100.0

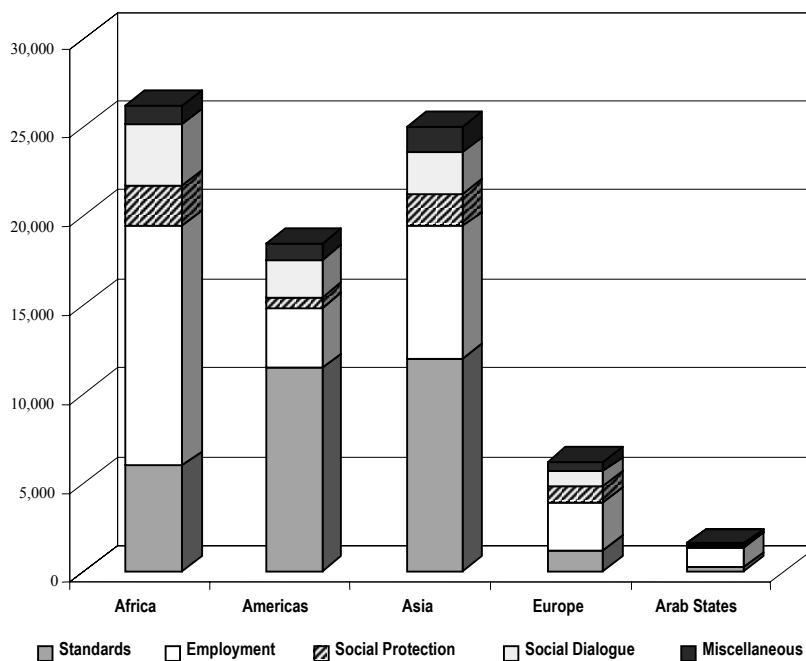
Annex 3

Technical cooperation expenditure by strategic objective
(US\$'000)



Annex 4

Extra-budgetary expenditure by region and strategic objective:
Average, 2000-04 (US\$'000)



Annex 5

Technical cooperation expenditure (all sources of funds)

