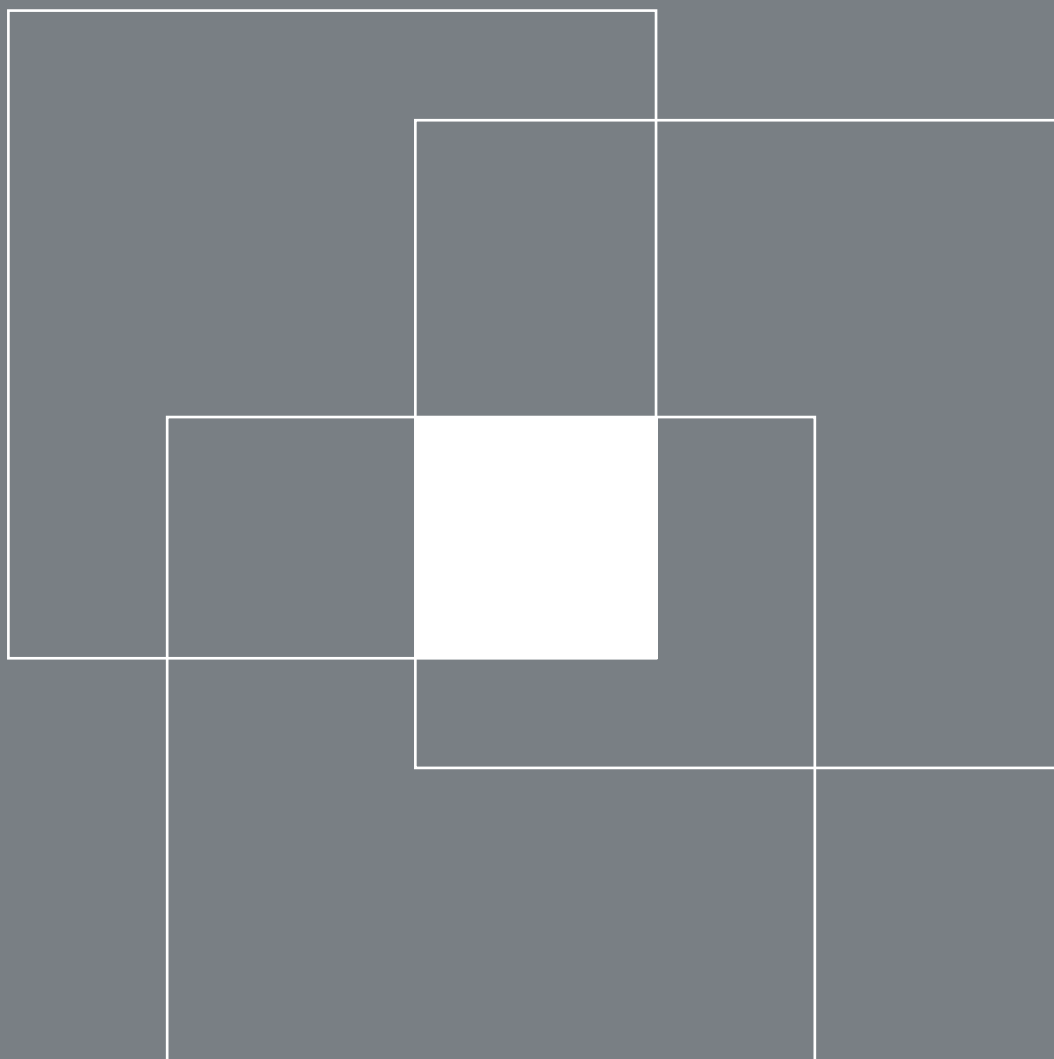




International  
Labour  
Organization

# PROGRAMME AND BUDGET FOR THE BIENNIUM **2018-19**

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**International Labour Organization**

**PROGRAMME AND BUDGET  
FOR THE BIENNIUM  
2018–19**

**International Labour Office Geneva**

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# Preface

## Original preface

The Programme and Budget proposals for 2018–19, which are presented in this document, are the third that it has been my responsibility to put to the Governing Body since becoming Director-General in 2012.

The years since then have been ones of major challenges and hardship in labour markets around the world. The global economy has struggled to recover a path of strong, balanced, sustained and inclusive growth. Against a backdrop of rapid and transformative change in the world of work, this has generated high levels of uncertainty about what the future holds and a drop in public confidence in the capacity of established policy settings, institutions and actors to deliver the results that people are demanding with ever-greater insistence.

In these circumstances there must be no uncertainty about the intentions of the ILO and how it will realize them.

It is the Organization's great advantage that it has a mandate that responds directly to what people are demanding: more decent work and less poverty; more fairness and less inequality; participation not exclusion; to be listened to, not ignored; common purpose not division; social justice in place of insecurity and conflict. That advantage is reinforced by the United Nations 2030 Agenda for Sustainable Development which places decent work at the heart of the international community's collective commitments for the next decade and more.

The present proposals hold good to the course set by the Governing Body in recent years. There is continued focus on key policy challenges selected because they are of central relevance to all member States and crucial to the achievement of social justice. There is further investment in knowledge capacities which are indispensable to the ILO's authority and influence. And there is sustained attention to delivering more demonstrable value from the resources made available.

But this is not a static programme. Emerging issues – notably environmental sustainability, global supply chains, and mobility – are addressed in important new ways. Moreover, the mega drivers of change in the world of work will be to the fore as the ILO approaches its centenary with the implementation of the Future of Work and other Centenary Initiatives. Not just as an historic landmark, but as an unparalleled stimulus to, and opportunity for, profound reflection on the future of the Organization, 2019 will make extraordinary claims on all actors in the ILO.

The programme for 2018–19 is proposed on the basis of a zero real growth budget of US\$797,390,000 in constant dollar terms. Because of expected cost decreases, this will result in a reduction in the nominal dollar budget of \$4,058,526 or 0.5 per cent.

This budget level is proposed in spite of the constantly increasing demands made of the ILO by its tripartite constituents and in recognition of the financial constraints that continue to be faced by many member States.

These are the very considerations which also drive the ILO's unrelenting efforts to deliver more to its constituents notwithstanding its unchanging real resource base. These proposals contain a further redeployment of some \$15 million from management, administrative and support services to front-line analytical and technical work which delivers directly value to member States. That is reflected in the creation of 26.5 new Professional posts.

This is neither the beginning nor the end of the dividend from reform and efficiency savings. If adopted, these programme and budget proposals will bring the accumulated value of reform and efficiency gains since 2014 to some \$58 million, including the redeployment of over 66 positions. Additional resources will become available as the Office-wide Business Process Review progresses, offering further scope for the ILO to do more and better.

With this commitment to continued improvement and strengthening of the ILO in conformity with the ILO's Strategic Plan for

2018–21 approved last November, I commend these programme and budget proposals for adoption by the Governing Body.

30 January 2017

Guy Ryder  
Director-General





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# Abbreviations

ASEAN	Association of Southeast Asian Nations
BMOs	Business Membership Organizations
BRICS	Brazil, Russian Federation, India, China and South Africa
DWCP	Decent Work Country Programme
DWT	Decent Work Technical Support Team
EAC	East African Community/Evaluation Advisory Committee
ECOWAS	Economic Community of West African States
EESE	Enabling Environment for Sustainable Enterprises
EIIP	Employment-Intensive Investment Programmes
EPZs	export processing zones
FAO	Food and Agriculture Organization of the United Nations
GCC	Gulf Cooperation Council
GFMD	Global Forum on Migration and Development
ICSC	International Civil Service Commission
ILOSTAT	ILO database on labour statistics
IMF	International Monetary Fund
IOAC	Independent Oversight Advisory Committee
IPSAS	International Public Sector Accounting Standards
IRIS	Integrated Resource Information System
ISSA	International Social Security Association
IT	information technology
ITUC	International Trade Union Confederation
OECD	Organisation for Economic Co-operation and Development
OHCHR	Office of the UN High Commissioner for Human Rights
OSH	occupational safety and health
RBSA	Regular Budget Supplementary Account
RBTC	Regular Budget Technical Cooperation
SAARC	South Asian Association for Regional Cooperation
SCORE	Sustaining Competitive and Responsible Enterprises
SDG	Sustainable Development Goal
SMEs	small and medium-sized enterprises
SRM	Standards Review Mechanism
UN	United Nations
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNCTAD	United Nations Conference on Trade and Development
UNDAFs	United Nations Development Assistance Frameworks
UNDP	United Nations Development Programme
UNDG	United Nations Development Group
UNEG	United Nations Evaluation Group

UNFCCC	United Nations Framework Convention on Climate Change
UNHCR	Office of the United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
WESO	World Employment and Social Outlook
WHO	World Health Organization

## Adoption of the budget for 2018–19

The International Labour Conference at its 106th Session (5–16 June 2017) adopted by 360 votes in favour, with 2 abstentions, the following resolution, submitted by the Finance Committee of Government Representatives:

The General Conference of the International Labour Organization,

In virtue of the Financial Regulations, adopts for the 76th financial period, ending 31 December 2019, the budget of expenditure for the International Labour Organization amounting to US\$784,120,000 and the budget of income

amounting to US\$784,120,000, which, at the budget rate of exchange of 0.97 Swiss francs (CHF) to the US dollar, amounts to CHF760,596,400, and resolves that the budget of income, denominated in Swiss francs, shall be allocated among member States in accordance with the scale of contributions recommended by the Finance Committee of Government Representatives.

The following table shows the budget as adopted by the Conference:

Expenditure			Income				
	2016–17 budget	2018–19 estimates		2016–17 budget		2018–19 estimates	
	US\$	US\$		US\$	CHF	US\$	CHF
<b>Part I</b>			Contributions from member States	797 390 000	757 520 500	784 120 000	760 596 400
Ordinary budget	793 061 135	779 816 986					
<b>Part II</b>							
Unforeseen expenditure	875 000	875 000					
<b>Part III</b>							
Working Capital Fund	–	–					
<b>Part IV</b>							
Institutional investments and extraordinary items	3 453 865	3 428 014					
<b>Total budget</b>	<b>797 390 000</b>	<b>784 120 000</b>		<b>797 390 000</b>	<b>757 520 500</b>	<b>784 120 000</b>	<b>760 596 400</b>



## Explanatory note

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At its 329th Session (March 2017), the Governing Body considered the Director-General's Programme and Budget proposals for 2018–19. Following the Governing Body's debate and the Director-General's response to the issues raised therein, the proposals were adopted by the Governing Body.

This document incorporates changes of specific paragraphs and indicators' tables, resulting from the discussion of the proposals in the Governing Body in March 2017, and as adopted by the International Labour Conference.



## The Director-General's response to the Governing Body's discussion <sup>1</sup>

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I want to begin this reply to last week's debate on my programme and budget proposals by thanking everybody for their contributions.

In many respects this was a debate characterized by a high-level – I am tempted to say unprecedented level – of convergence and agreement. And that has, in some ways, made it easier to frame this response. But important concerns and questions were tabled as well, and it is proper that I acknowledge and react to them.

Let me begin by saying something about the areas where I detect agreement in the Governing Body, agreement which I attribute to two factors: firstly the productive tripartite consultations in which we have engaged particularly since the Governing Body's preview debate last November; and secondly the fact that – over a longer period of time – we have agreed a strategic direction for the Organization to which all have contributed and are therefore generally supportive of.

As a consequence, there was a consensus last week on:

- the choice of the ten proposed policy outcomes;
- the three proposed enabling outcomes; and
- the four cross-cutting policy drivers, including the new one on just transition to environmental sustainability.

Moreover, and this is not the least important result of the debate, there was full agreement on the proposed level of the budget, representing a continuation of the zero real growth trajectory upon which the ILO has been set for many years, with a consequent reduction on the nominal constant dollar level.

This means that, exceptionally, we are not now under pressure to identify cuts or savings. Additionally, all groups spoke strongly in favour of two other features of the proposals, these being:

- the significant redeployment of resources from the back office to the front line, which enables the Office to offer more to tripartite constituents with the same real level of resources; and
- the explicit alignment of the programme, reflected in the results framework, with the 2030 Agenda for Sustainable Development.

Taken together, all of this provides a very broad and important platform of support for the Programme and Budget proposals that are before the Governing Body.

But there were criticisms as well, and I want to start with the most far-reaching ones.

It was said by some that the proposals lacked ambition, particularly in the light of the major challenges facing the world of work to which I myself drew attention when I introduced them to the Governing Body last Monday.

I want to make clear that, within the resource parameters upon which I believe we are agreed, it is the clear responsibility of the ILO to design and to deliver its programme to the highest level of ambition. And that is what the proposals seek to do.

So, what you have before you is a programme which would not only allow the ILO to do more, but to focus its work on agreed world of work priority policy areas; to deliver on the decent work dimension of the world's agreed development agenda; to address defining emerging issues of our time – climate change, human mobility, global supply chains; to renew and strengthen its normative function; to upgrade its technical and knowledge capacities; to engage better with enterprises – indeed to pursue each one of the six components of the ILO Vision 2021 which is contained in the Strategic Plan that we adopted last November.

In this light, it is not entirely clear where the deficit in ambition lies. I should acknowledge that concern was raised that the proposals did not do enough to prepare the ILO for its centenary in 2019, which is the second year of the biennium covered by the programme proposals. Yet, together, we have already defined over the last three years the Future of Work Initiative, and the other six Centenary Initiatives which, are at the heart of our centenary activities. And they are ambitious. There is no advantage or purpose in revisiting them, but we have included proposals that will advance their implementation, most notably in the orientation of the research agenda in support of the Future of Work Initiative.

It was also objected that while in my introduction I highlighted current challenges to tripartism and social dialogue, the programme proposals do not provide a sufficient response to that challenge. Here, I would point not only to the

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<sup>1</sup> GB.329/PV, Appendix IV.



cross-cutting policy driver on social dialogue but also the efforts we have made – explicitly in response to issues raised in the preview discussion last November – to strengthen the tripartism, dialogue and industrial relations components across the policy outcomes, something which was received positively last week. Allow me to add, parenthetically, that when it comes to levels of ambition and tripartism it is the intentions and actions of you our tripartite constituents even more than the necessary supportive efforts of the Organization which will be decisive.

And as a last comment in respect of ambition let me simply recall rather than repeat what I have said about the mix of continuity and innovation in my proposals. Persevering in the pursuit of important but difficult objectives over a period of time is, I think, a worthy ambition.

Moving on, let me address the question of focus and coherence in the programme proposals. The objection has been voiced that their basic architecture reflects a lack of focus or a loss of coherence. This is not a new reflection, and I regret that the essentials of my response on this will not be new to you either.

Let us remember that every one of these components of the proposals taken individually has met with the approval of the Governing Body. More than this, previously when the Director-General proposed fewer policy outcomes the Governing Body, as is its prerogative, decided on more.

But more importantly I think it is wrong to treat these different components – policy outcomes, enabling outcomes, cross-cutting policy drivers, Centenary Initiatives – as a mathematical addition. It is simply not like that. The enabling outcomes serve an entirely different purpose from the policy outcomes for example. And the Centenary Initiatives – with to a large extent the exception of the Future of Work Initiative – are integral or embrace parts of the policy outcomes and cross-cutting policy drivers. That happens differently for each initiative because they are so heterogeneous.

Let me now turn to the issues that were raised in many of your interventions in respect to the results framework.

It is gratifying that many of your interventions acknowledged the extensive efforts already made in close consultation with you to bring improvements in line with the ILO's standing commitment to strengthen results-based management. Moreover, there was significant advice on how we can progress further which, in some areas, converged with the conclusions of the recently published report of the Multilateral Organisation Performance Assessment Network (MOPAN) on the ILO and of recent evaluations.

I want to underline that the Office believes it necessary to take action – immediately and in the longer term to respond to your valuable suggestions, and that we have already started that process. So let me outline the key points arising from the Governing Body's debate which we understand should guide those efforts.

- To begin, let me stress that the policy outcome indicators refer to expected changes in member States to be achieved with the ILO's contribution. Results can be reportable only when the criteria for success are met and there is an identifiable Office contribution.
- You identified a need to strengthen the indicators by increasing the number of criteria for success to be met in order to report any result. Already one third of the proposed indicators require all criteria for success to be met, a requirement that does not exist in the current programme and budget. Nevertheless, you want to set the bar higher, so we are reviewing the indicators and criteria for success to make them more stringent, and we have already identified cases where this can be achieved.
- Some of you commented on baselines and targets that could be revised. In preparing the proposals, we developed a new methodology for determining the baseline for each indicator and setting a reasonable target, in line with our knowledge of policy dynamics at the national level and available resources. This process has relied heavily on information provided by field offices and analysed by our Global Technical Teams. We are ready to provide later on further information on this methodology or any specific baseline upon request.
- There were questions too about the substantial increase in the proposed number of country targets. Here there are two explanatory factors at play. Firstly, the experience of the past shows that we have been able to deliver on considerably more targets than originally estimated – 774 were reported in the 2014–15 Implementation Report for example. Secondly, work already done in the current biennium will contribute substantially to meeting targets in the next – they are already in the pipeline as it were.
- There were calls for ratification and implementation of international labour standards to be reflected under each outcome. While international labour standards are both a policy outcome in their own right and a cross-cutting policy driver, we will work to include, wherever appropriate, explicit reference to international labour standards in the indicators.

- There was quite a lot of discussion on the potential to track results for the cross-cutting policy drivers. Some asked why they were not the subject of separate indicators. These drivers have been integrated in the criteria for success for the key performance indicators and there is a risk of promoting a silo approach or effect if we opt to have separate indicators for them or to have several cross-cutting indicators for each outcome. However, we do continue to track them. In implementing the programme for 2016–17, the Office has already put in place a system of “markers” – aligned with the methodology applied across the UN system – to track progress in the incorporation of the drivers in our strategies. Information in this respect will be included in the implementation report for 2016–17.
- Let me add with specific reference to the cross-cutting policy driver on gender equality and non-discrimination, an essential component of each outcome strategy, that all policy outcomes contain at least one gender-specific criterion for success.

Some of you also asked to ensure that the framework show that policy changes at country level should be achieved in consultation with the social partners. We are working on the proposed text to respond to this request.

I hope that I have accurately captured your thinking on the results framework. The internal process already under way will allow us to subject the originally proposed framework to rigorous review. We would then include the resultant revised framework in Report II, the report that is submitted to the Conference in June for adoption. We will of course share those revisions with constituents as soon as possible.

In the longer time frame, I would welcome the opportunity to work closely with constituents to bring further improvements in our results-based management framework, and in particular to learn from national experience on how all of you tackle these challenges.

Finally, a number of ideas were tabled in respect of reporting on programme delivery and financial performance. I would recall that the implementation report provides comprehensive information on results, and on expenditure by outcome and by funding source. The audited financial statements also provide an independent confirmation at a macro level of those results. However, the suggestion made in respect of enhanced analysis and reporting at the end of the financial period and for further information on the implementation of cross-cutting policy drivers require further consideration.

The Office has been trialling new approaches to improve the attribution of our largest single input – staff costs – to policy outcomes, enabling outcomes, country programme outcomes and importantly, cross-cutting policy drivers. This work will continue with a view to introducing a new approach later in this biennium. This will enable an improved level of reporting on activities and their costs for the 2018–19 financial period.

To conclude, let me return to the all-important question of resources and resource allocations.

I have already said, at the beginning of my remarks that I detect consensus, indeed unanimity I believe, in approval of the proposed budget level. In similar vein, you have supported strongly the redeployment of resources to front-line technical and analytical functions. We were asked to provide information on the location and grading of the new front-line capacity in the regions included in my proposals. The distribution of the ten positions in the regions will be as follows: three for Africa, three for Asia and the Pacific, two for the Americas and one each for the Arab States and Europe. Grades will be predominantly at the P4 level.

In my brief remarks on the conclusions of last week's debate you might remember that I commented that support had been expressed by different groups and Governing Body members for increased resource allocations for every one of the ten proposed policy outcomes. Nobody expressed any interest in reduced allocations anywhere. There were also calls for increased budgets for different regions over and above the effort already proposed.

In such circumstances, and having given very careful consideration to the many suggestions made, I do not believe it appropriate to propose any change in the resource allocations which I initially proposed.

To do so would inevitably involve a somewhat arbitrary, and necessarily marginal gesture because there has not been any major or concerted call for redeployments to any particular outcome or outcomes and because in a zero growth scenario responding to any specific interest implies necessarily acting in opposition to another.

For these reasons, the only reasonable course of action is, I believe, to maintain the allocations as they have originally been presented to you and which I hope and believe will be able to meet with your approval.

In addition, I would assure members of the Governing Body that their guidance concerning the substantive content and orientation of individual outcomes has been, and will be, carefully considered in the finalization of the programme and

budget for the Conference in June and its subsequent implementation.

Over and above the regular budget upon which our attention is now focused, we have provided the Governing Body with our best estimates for extra-budgetary, that is to say voluntary, funding in the coming biennium, and they attracted some comments from you.

Of course, these figures are only estimates, but they are based upon already received approvals and informed forecasts. The very challenging and competitive funding environment and the attendant prospect of reduced voluntary resources is both a reality and an incitement for the Office to step up its resource mobilization effort. That applies with particular force in those areas of work where extra-budgetary resources are notably scarce, and I recognize that this has been underlined by the Employers' and by the Workers' groups in respect of Outcome 10.

There have been calls too for more Regular Budget Supplementary Account (RBSA) contributions, and the existing RBSA contributors have shared with us their own needs and expectations. I want to express particular appreciation to them and to give assurances that the Office's own internal guidance and practices will be responsive to those requirements.

Let me conclude this response to the programme and budget debate as I began my

introduction to it last week, by reference to the heightened feelings of uncertainty and insecurity prevailing in the world of work. In the name of good financial management it should be underlined that the ILO has in place well-established mechanisms to address uncertainty and has been strengthening its own risk management systems. This is reflected in the risk register contained in my proposals. But, by their nature, such systems need to evolve and to adapt to circumstances arising. The Office will, of course, revert to the Governing Body should any need arise in order to ensure the orderly implementation of the programme and budget in the future.

The broader point, however, is that it is through its capacity to come together and agree to a programme and budget that advances decent work and social justice and by its commitment to implement it in the true spirit of tripartism that this Governing Body can meet its responsibilities to provide a concrete and credible response to the peoples of the world who demand of us more and better.

And so, account taken of the suggestions I have made in respect of the results framework, I commend the Programme and Budget proposals for 2018–19 to the Governing Body for transmission to and adoption by this year's session of the International Labour Conference.

# Executive overview

## Introduction

1. The Programme and Budget for 2018–19 aims to take the ILO forward to its centenary with the means to pursue as effectively as possible its mandate for global social justice. The overall objective is to maximize the Organization's influence in promoting decent work opportunities for all, both through its direct support to, and cooperation with, its member States, and its contribution to, and advocacy in, the multilateral system and international policy arena.

2. The International Labour Conference and the Governing Body have already identified within the ILO's Strategic Plan for 2018–21 and the ILO 2021 Vision contained therein, key preconditions for realizing that ambition. Foremost among them are:

- **technical excellence**, which is an Organization-wide responsibility, is to be promoted through further investment in statistical and research activity;
- **relevance and usefulness** is to be sharpened by continued use of strengthened governance at all levels, reinforced use of the mechanisms of the 2008 ILO Declaration on Social Justice for a Fair Globalization (Social Justice Declaration), and renewed attention to the operation of Decent Work Country Programmes (DWCPs);
- **focus on key world of work issues** is to come from devoting a critical mass of resources to a limited number of policy outcomes to be addressed through multidisciplinary approaches;
- the strong decent work content of the **2030 Agenda for Sustainable Development** (2030 Agenda) is the basis for the ILO's

contribution to its implementation which is to be pursued, in light of the discussion of the Director-General's Report to the 2016 session of the Conference;

- **continuous effectiveness and efficiency gains** are to be pursued in the transition from the structural changes of the reform process to that of continued improvement, driven by the ongoing Business Process Review. This will be supported by reinforcement of results-based management mechanisms and of evaluation processes;
- **redeployment of resources** to technical and analytical work benefiting constituents directly is to be enabled by further efficiency savings and is reflected in the creation of 26.5 new posts in the regions, the policy portfolio and the Bureau for Employers' Activities (ACT/EMP);
- the **permanent commitment to social justice** is the consideration which has guided the choice of policy outcomes with their deliberate orientation to the most vulnerable and disadvantaged at work. The same commitment is to underpin the focus of the research agenda, to guide the ILO's evidence-based advocacy.

3. This programme and budget for the first biennium of the strategic plan embodies a blend of continuity and innovation appropriate to the real nature of the issues which the ILO is called upon to address – which mean that major challenges will not be resolved over any single biennium – and to the rapidly changing circumstances in the world of work – which call for adaptation, innovation and agility in responding to emerging phenomena.

## The context

4. The motivation for this programme and budget is guided by what is happening in the world of work where the defining features continue to be labour markets subject to change and uncertainty, largely as a consequence of the stresses generated by the inability of the global economy to recover a trajectory of strong, balanced and sustained growth, transformational change and great uncertainty.

5. This has generated renewed public concern over work-related matters, reflecting pent-up demand for policies which deliver decent work and greater social justice. The context therefore offers opportunities for the ILO as its mandate moves more than ever to the centre of policy debate. But it presents dangers too, as widespread disillusionment over the failure of established policy



settings to deliver acceptable results has spurred the search for alternatives which would not be compatible with the founding and enduring values of the ILO.

6. All of this points to the urgency and importance of the ILO providing credible, timely and quality policy advocacy, advice, and support to close the unacceptable deficits in all four dimensions of decent work: employment, social protection, social dialogue and tripartism, and fundamental principles and rights at work.

7. Pursuit of social justice in conditions of rapid and widespread change requires the ILO to apprehend and address what is new in order to shape it to the needs of decent work. And that means adapting its own methods of work; institutional immobility may be a natural reflex in the face of great uncertainty, and there can be comfort in perceiving defence of the status quo as attachment to established and unchanging values. But it will not serve the interests and objectives of the Organization nor of its constituents.

8. This imposes the obligation on the ILO to address the longer term dynamics of change at work while simultaneously constructing responses to the most pressing and immediate challenges. The Future of Work Initiative will be crucial to the ILO longer term dynamics. More immediately, the addition of environmental sustainability as a fourth cross-cutting policy driver in the programme and budget is a major innovation to position the ILO to play its role in ensuring that the world of work takes up its responsibilities in combating climate change.

9. The challenges arising from current conditions in the world of work – and they are considerable – underline the importance and value of the ILO's two unique comparative advantages: international labour standards and tripartism.

10. Throughout the controversies around standards-related issues of recent years there has been one point of consistent and strong consensus: that the ILO's normative function is crucial to its work as a whole and that it is essential for the ILO to have a strong and up-to-date body of standards supported by a robust and authoritative supervisory system. Implementation of the Standards Initiative is likely to continue throughout the biennium.

11. Despite the proven record of achievement of tripartism and social dialogue in advancing economic growth and social progress in resolving conflict and in navigating crises, they are under pressure in too many countries and situations. The counter-narrative to the case for tripartism has gained ground, fuelled by the notion that social dialogue may obstruct effective and necessary decision-making particularly at times of acute competitive and financial pressures, may be ill-adapted to new circumstances in the world of work,

or simply lacking in legitimacy because of reduced representativeness of social partners.

12. Just as for standards, the strong political consensus in the ILO in support of tripartism must find expression in renewed efforts to promote its effective functioning. Like much else in the world of work, social dialogue will be judged by the results it produces and the cross-cutting policy driver to promote its practice will contribute to optimizing these results.

13. The ILO's Strategic Plan for 2018–21 identifies four institutional factors which constitute the enabling environment for the ILO to realize the ILO 2021 Vision, and they apply equally to the implementation of the Programme and Budget for 2018–19. They are:

- **the seven Centenary Initiatives.** The significance of the Standards and Green Initiatives have been referred to above. In addition, the Women at Work Initiative will be a vehicle for the cross-cutting policy driver on gender equality and non-discrimination, and the End to Poverty Initiative for delivery of the ILO contribution to the 2030 Agenda. The Governance Initiative will continue to ensure that attention is given to ensuring optimal functioning of the organs of tripartite decision-making, and the Enterprises Initiative will take forward efforts to engage the private sector fully in ILO work in accordance with agreed procedures. The biennium will also see the implementation of the major part of the Future of Work Initiative, including the completion and submission of the report of the High-Level Global Commission and its discussion at the 2019 centenary session of the Conference.
- **the 2016 Conference resolution on Advancing Social Justice through Decent Work.** The resolution provides important guidance on how the ILO should realize the full potential of the Social Justice Declaration, including through: strengthening the results-based management framework and DWCPs; institutional capacity building; research and information collection and sharing; and partnerships and policy coherence.
- **the 2030 Agenda.** The Agenda is both a blueprint for global social justice and a vindication of the role of decent work in its achievement. The Conference and Governing Body have provided detailed guidance on how the ILO is to integrate the Agenda into its own work, and this is reflected in the presentation of how each policy outcome will contribute to specific targets and indicators of relevant Sustainable Development Goals (SDGs).
- **the ILO reform agenda.** The Organization will be able to benefit from the achievements of the reforms undertaken since 2012 and will be

committed to continued improvement of its performance during this and future biennia. That means that in addition to the gains in the quality and coherence of its work, continued efficiency gains will permit further

redeployment of resources to units engaged in policy work and delivery of the ILO's mandate. That means more value for money.

## Programme content

**14.** As for 2016–17, the programme for 2018–19 is structured around ten policy outcomes, supported by three enabling outcomes. A fourth cross-cutting policy driver concerning environment sustainability has been added to the three included in the Programme and Budget for 2016–17.

**15.** The policy outcomes address the following key world of work issues:

- (1) More and better jobs for inclusive growth and improved youth employment prospects;
- (2) Ratification and application of international labour standards;
- (3) Creating and extending social protection floors;
- (4) Promoting sustainable enterprises;
- (5) Decent work in the rural economy;
- (6) Formalization of the informal economy;
- (7) Promoting safe work and workplace compliance including in global supply chains;
- (8) Protecting workers from unacceptable forms of work;
- (9) Fair and effective international labour migration and mobility;
- (10) Strong and representative employers' and workers' organizations.

**16.** It will be noted that, in all cases, the content of the policy outcomes corresponds generally, and in most cases closely, with the subject matter of the outcomes in the 2016–17 programme, reflecting the inherent need to persevere with work on major policy issues for longer than a single biennium in order to have significant impact. The ILO's constituents have previously considered that these areas of activity merit priority attention and there is good reason to pursue them further, constituting as they do a balanced approach to the four dimensions of the Decent Work Agenda. Other issues could legitimately be the subject of further policy outcomes, but to go beyond the ten or to merge existing ones would respectively incur the risk of diluting the prioritization needed to bring critical mass, and of blurring necessary focus.

**17.** Continuity is also accompanied by innovation. Specifically, policy outcome 7 now includes work on global supply chains, while policy outcome 9 includes human mobility to take into account the

labour market impact of the large-scale movement of refugees and displaced persons.

**18.** The three accompanying enabling outcomes are designed to facilitate the efficient and effective functioning of the ILO and to ensure that the areas of work covered are subject to the same disciplines of results-based management and accountability as the policy outcomes. While they do not directly address substantive policy matters and are therefore qualitatively distinct from the policy outcomes, their role in assuring that the support functions that they largely address are carried out satisfactorily may be considered of particular importance in the light of the strenuous effects being made to redeploy resources from support to front-line activity. They will provide assurance that this does not compromise the proper discharge of ILO responsibilities in any area.

**19.** Three of the cross-cutting policy drivers – on international labour standards, on social dialogue and on gender equality and non-discrimination – are retained from previous biennia: they have enjoyed strong tripartite support, and have a clear constitutional and institutional basis, relating as they do to issues which are rightly considered inherent to the ILO mandate.

**20.** A fourth and new cross-cutting policy driver – on a just transition to environmental sustainability – is now included. It is evident that increasing the number of drivers should not be done lightly. Justification for the addition turns upon the inherent significance of the issue concerned to the Organization's mandate. ILO constitutional texts do not identify environmental sustainability in such terms, but current circumstances, notably the impact of climate change and the implications for the world of work of its prevention and mitigation, provide strong support for the contention that it now has fundamental and permanent significance across the four dimensions of the Decent Work Agenda. The earlier the ILO responds effectively to that emerging reality, including through the implementation of the Green Initiative, the greater will be the opportunities to reap the decent work dividend from the fight against climate change.

## Results-based management and accountability

**21.** An integral and central part of the process of continued improvement is the commitment to strengthen results-based management systems and hence accountability to constituents for the overall performance of the Organization.

**22.** Obtaining the highest level of results requires several interrelated elements along a continuum which begins with decisions on what activities to undertake and ends with measurement and evaluation of what has been achieved by them.

**23.** As called for in the Social Justice Declaration, renewed efforts will be made to better understand and respond to constituent needs, in line with the terms of the 2016 Conference resolution. This includes improved use of recurrent Conference discussions and their associated mechanisms, the strengthening of DWCPs through enhanced tripartite involvement with particular reference to national development plans and their alignment with the 2030 Agenda, and the ongoing work undertaken in the framework of the Governance Initiative.

**24.** This is the precondition for the ILO doing the right things. The reinforcement of the Organization's knowledge leadership through further investment in research, statistical, and analytical work is the next step in doing those things right, underpinned by the multidisciplinary approaches embedded in the policy outcomes, informed by key lessons learned from past work and with scale and impact amplified by engagement in appropriate partnerships with other actors.

**25.** Better measurement of the way and the extent to which the ILO's outputs contribute to achieving change and sustainable results at the outcome level is the subsequent requirement. It is to be pursued through the following concrete innovations.

**26.** Firstly, specific performance indicators are now systematically assigned to the expected changes set out in each policy outcome strategy. Policy outcome indicators identify systemic policy, institutional and capacity change in member States to be achieved with the ILO's support. Each indicator is accompanied by criteria for success that specify the scope and the qualitative dimensions of the change implicit in the indicator, including with regard to the cross-cutting policy drivers.

**27.** Secondly, the methodology for establishing baselines and targets, broken down by region, has been thoroughly revised. The baselines for the policy outcome indicators are derived from an informed estimation of the number of member States requesting ILO assistance in relation to the expected changes. Baseline data take into account priorities in DWCPs as well as formal requests for ILO assistance to follow up on decisions of the International Labour Conference, the Governing Body and the supervisory bodies.

**28.** Thirdly, the framework also explicitly reflects the ILO's contribution to the implementation of the 2030 Agenda. Each policy outcome identifies the principal SDG targets to which it directly contributes, as well as the relevant SDG indicators that the ILO will apply in assisting member States to measure and monitor their progress towards those targets. As shown in figure 1, only a limited number of SDG targets is identified for each policy outcome in order to ensure a critical mass of results in areas of the ILO's comparative advantage. The appendix to this programme and budget summarizes the identified links between each policy outcome and relevant SDG targets and SDG indicators for which the ILO is custodian or involved agency.

Figure 1: Contribution of the ILO's policy outcomes to the SDGs



**29.** Evaluation closes the cycle with a view to enhancing organizational learning and informing management. Improving the ILO's evaluation and accountability culture will remain a priority in 2018–19 and will require closer engagement with constituents.

**30.** The effectiveness, efficiency and impact of the ILO's achievements will be assessed on the basis of an updated evaluation policy and strategy informed by the 2017 independent external evaluation of the evaluation function. Flexibility in choosing evaluation approaches will be ensured to identify the "best fit" methods and ensure that credible evidence is produced and critical evaluations questions and criteria covered.

Involving partners more in the design, implementation and follow-up of evaluations will help to strengthen their interest in evaluation and facilitate the use of evaluations as a tool for social dialogue.

**31.** The ILO will further integrate risk management into standard procedures and processes with greater focus on programmatic issues. The Organization's risk register for the biennium has been expanded to include 13 major organizational risks with related mitigation strategies. Another key development will be the establishment of an IT-based risk-management database, which will support managers in maintaining their unit-level risk registers.



## Resource allocations

32. The regular budget for 2018–19 is \$784.12 million, which is identical in constant US dollars to the budget approved for 2016–17.

Table 1. Strategic budget: Expenditure by appropriation line

	Strategic budget 2016–17 <sup>1</sup>	Strategic budget 2018–19	Strategic budget 2018–19	Strategic budget 2018–19
	(in US\$)	(in constant 2016–17 US\$)	(recosted (US\$))	(recosted and revalued (US\$))
<b>Part I. Ordinary budget</b>				
A. Policy-making organs	54 757 278	53 267 095	53 354 095	52 384 554
B. Policy outcomes	634 828 813	636 506 097	632 607 669	625 911 099
C. Management services	63 431 211	63 244 110	63 495 485	62 484 000
D. Other budgetary provisions	46 566 959	46 566 959	46 016 134	45 457 712
Adjustment for staff turnover	-6 523 126	-6 523 126	-6 509 738	-6 420 379
<b>Total Part I</b>	<b>793 061 135</b>	<b>793 061 135</b>	<b>788 963 645</b>	<b>779 816 986</b>
<b>Part II. Unforeseen expenditure</b>				
Unforeseen expenditure	875 000	875 000	875 000	875 000
<b>Part III. Working Capital Fund</b>	–	–	–	–
Working Capital Fund				
<b>Total (Parts I–III)</b>	<b>793 936 135</b>	<b>793 936 135</b>	<b>789 838 645</b>	<b>780 691 986</b>
<b>Part IV. Institutional investments and extraordinary items</b>				
Institutional investments and extraordinary items	3 453 865	3 453 865	3 492 829	3 428 014
<b>TOTAL (Parts I–IV)</b>	<b>797 390 000</b>	<b>797 390 000</b>	<b>793 331 474</b>	<b>784 120 000</b>

<sup>1</sup> The strategic budget for policy-making organs includes resources from the Official Meetings, Documentation and Relations Department, and the Internal Services and Administration Department, which directly support the governance activities.

33. Within the constraints of the continuation of a zero real growth budget trajectory for the 2018–19 biennium, the programme and budget provides for the further redeployment of resources from administrative and support functions to front-line analytical and technical services. The budgets for each of the regions and for each of the policy departments have been increased. Front-line capacity has been increased by the equivalent of 26.5 professional positions, of which ten are within the regions.

34. Additionally, provisions have been made in constant 2016–17 dollars:

- to increase Regular Budget Technical Cooperation (RBTC) resources (\$1.2 million);
- for the technical meetings on cross-border social dialogue and on decent work in global

supply chains, previously approved by the Governing Body, and two non-Geneva-based Regional Meetings (\$791,000);

- for the holding of the 20th International Conference of Labour Statisticians (\$239,000);
- to support the full implementation of the Integrated Resource Information System (IRIS) in all ILO external offices and the resultant improved financial management (\$965,000).

35. As a result, a total of some \$15 million has been redeployed both within and towards the front-line analytical and technical services.

36. In addition to increasing front-line services, further resources have been budgeted in constant 2016–17 US dollars for:

- improvements in the administration of the Staff Health Insurance Fund (\$835,000);
- enhancements to the perimeter security at the ILO headquarters in Geneva (\$500,000);
- oversight purposes, including for the Independent Oversight Advisory Committee (IOAC), the Office of Internal Audit and Oversight (IAO) and the Ethics Office (net \$200,000).

**37.** The redeployment of resources has been made possible through efficiency improvements, the reprofiling and elimination of vacant administrative and managerial positions and reductions in non-staff budgetary provisions.

**38.** In line with the commitment to continuous improvement, and on the basis of the efficiency savings generated by the Business Process

Review, it is anticipated that further resources will become available for redeployment in the course of the biennium. Because of the uncertainties involved in the realization of those savings, including those arising from the raising of the retirement age in the United Nations (UN) system as of the beginning of 2018, it has not been considered prudent to factor these resources into this programme and budget. The Director-General will revert to the Governing Body on these matters at the appropriate time in the light of developments.

**39.** The strategic framework budget (table 2) presents the resource attribution to each of the ten policy outcomes, reflecting contributions from all policy department and regional staff. This results-based or strategic allocation, therefore, includes not only inputs from the department with primary technical responsibility for a particular outcome, but also inputs from other units within the Office.

**Table 2. Strategic framework, total resources in 2016–17 and for 2018–19 (in US\$ million), and number of country targets**

Outcome	Revised regular budget 2016–17 <sup>1</sup>	Estimated extra-budgetary expenditure 2016–17	Estimated RBSA for 2016–17	Regular budget 2018–19	Estimated extra-budgetary expenditure 2018–19	Estimated RBSA for 2018–19	Expected country targets 2018–19
<b>Outcome 1:</b> More and better jobs for inclusive growth and improved youth employment prospects	103.8	127.1		102.2	131.0		147
<b>Outcome 2:</b> Ratification and application of international labour standards	57.4	24.6		56.8	16.8		107
<b>Outcome 3:</b> Creating and extending social protection floors	39.4	12.3		39.2	23.7		63
<b>Outcome 4:</b> Promoting sustainable enterprises	45.8	53.3		45.6	61.8		76
<b>Outcome 5:</b> Decent work in the rural economy	26.4	15.6		27.4	12.0		46
<b>Outcome 6:</b> Formalization of the informal economy	33.2	8.2		32.9	3.9		66
<b>Outcome 7:</b> Promoting safe work and workplace compliance including in global supply chains	55.0	53.3		54.3	77.5		86
<b>Outcome 8:</b> Protecting workers from unacceptable forms of work	44.6	69.7		41.9	82.1		90
<b>Outcome 9:</b> Fair and effective international labour migration and mobility	26.9	29.9		28.4	32.3		41
<b>Outcome 10:</b> Strong and representative employers' and workers' organizations	67.2	16.0		66.9	8.9		123
<b>Subtotal policy outcomes</b>	<b>499.7</b>	<b>410.0</b>		<b>495.6</b>	<b>450.0</b>		<b>845</b>
Support services	135.1			130.3			
<b>TOTAL</b>	<b>634.8</b>	<b>410.0</b>	<b>35.0</b>	<b>625.9</b>	<b>450.0</b>	<b>36.4</b>	<b>845</b>

<sup>1</sup> To facilitate comparison with 2018–19 figures, the presentation of the 2016–17 strategic budget was revised to reflect the support services component as a separate line.

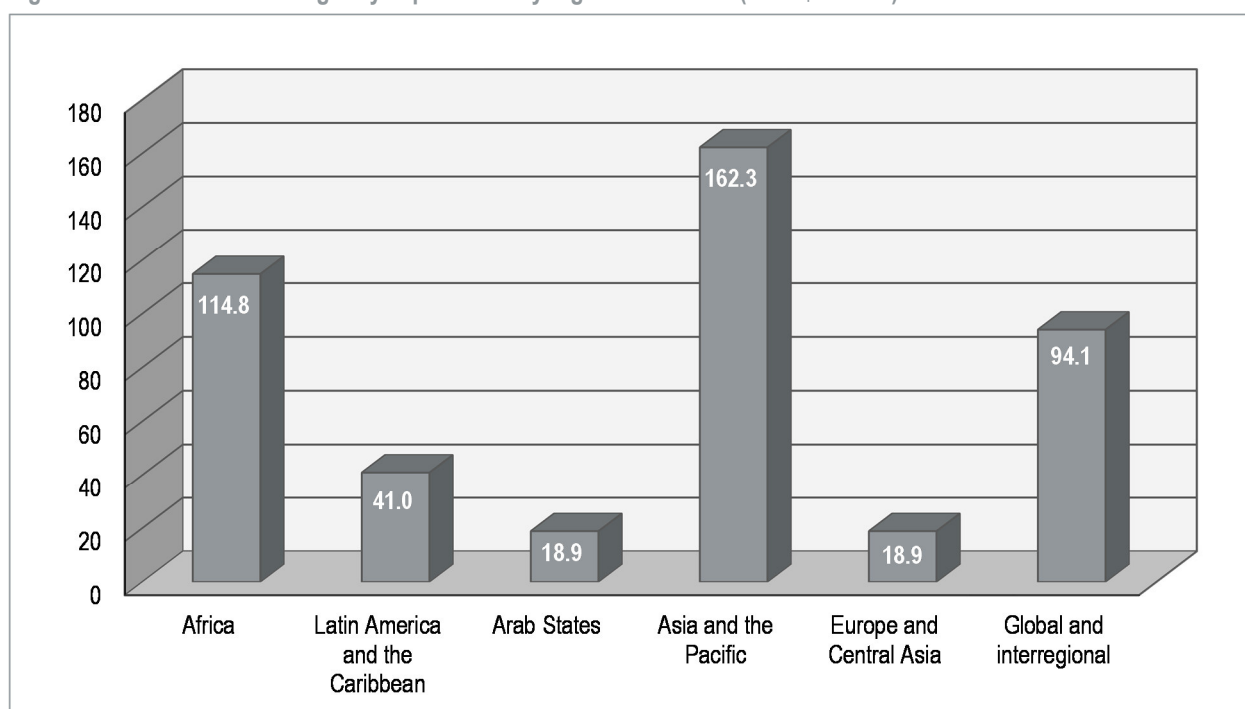
40. As delivery of policy outcomes is predicated upon Office-wide collaboration, workplans will continue to be developed for each of them which will, in turn, inform the workplans of individual units and departments in Geneva and the regions.

41. Regular budget allocations will be supplemented by extra-budgetary resources made available by development partners for specific purposes or through the unearmarked facility of the Regular Budget Supplementary Account (RBSA). Table 2 includes estimated total resources – regular and extra-budgetary – available for implementation of each of the policy outcomes in the course of the biennium. It provides for estimated expenditure of \$450 million in extra-

budgetary resources and \$36.4 million from RBSA. In this regard, the ILO will continue in its efforts to mobilize extra-budgetary funding, including through diversification and innovation in its partnerships with increased emphasis on South–South and triangular modalities, public–private partnerships and domestic funding.

42. On this basis, as shown in table 2, a total of 845 targets has been set across the ten policy outcomes, of which 347 are in Africa, 159 in the Americas, 207 in Asia and the Pacific, 60 in the Arab States, and 72 in Europe and Central Asia. The breakdown of estimated extra-budgetary expenditure by region is shown in figure 2.

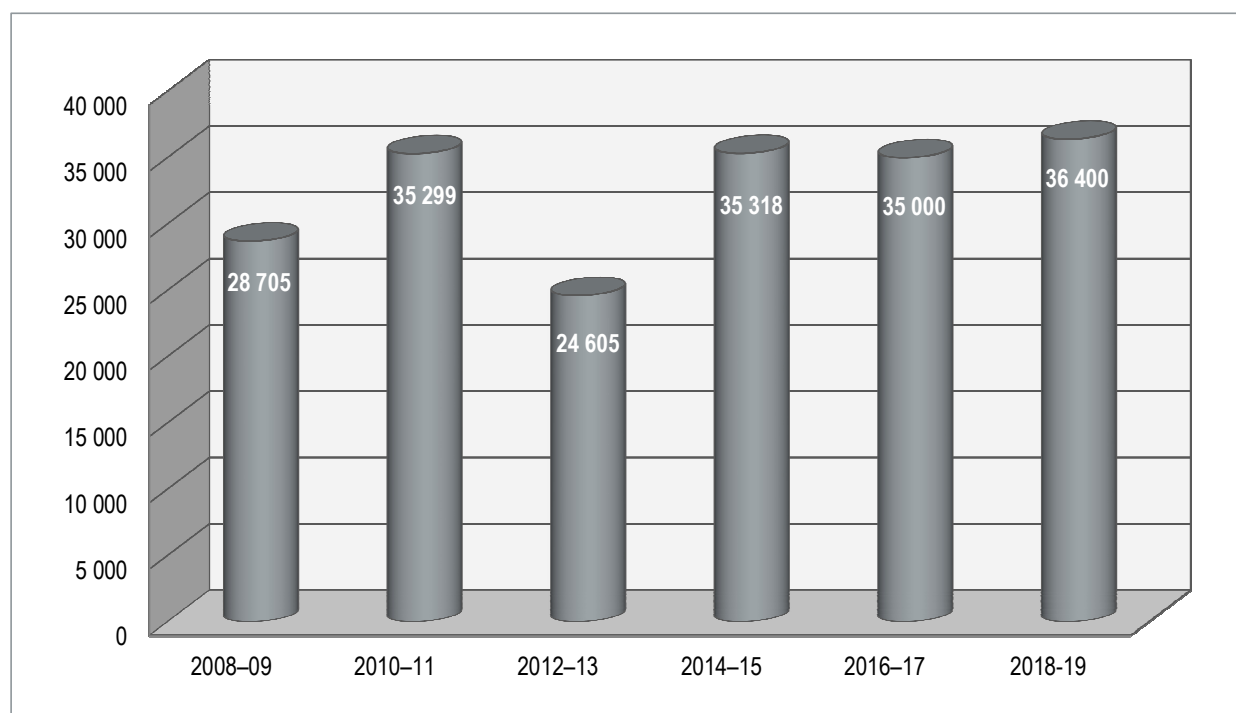
Figure 2. Estimated extra-budgetary expenditure by region in 2018–19 (in US\$ million)



43. RBSA resources will be targeted to finance catalytic work with the potential to leverage other resources across the ten policy outcomes, with a sharp focus on low- and lower-middle income countries and countries in situations of fragility.

They will be used primarily to support DWCP priorities. Figure 3 shows RBSA resources available to the ILO in recent biennia, and corresponding estimates for 2018–19.

Figure 3. RBSA actual and estimated expenditure (in US\$ thousands)



### The level of the budget

**44.** In recognition of the constraints on public finances that continue to be present in a significant number of ILO member States, and notwithstanding the increased demands for ILO services that may be expected, the budget is set at a level corresponding to zero real growth.

**45.** In nominal terms, the programme and budget presents a budget reduction of \$13.3 million or 1.7 per cent. This results from a negative adjustment in the movement of costs and is principally attributable to four factors:

- adjustments for lower inflation rates than those foreseen in the previous budget and a forecasted continuation of this trend during the next budgetary cycle;

- the impact of the changes to the common system compensation package of the Professional and higher category of staff;
- the strengthening of the budget currency against regional currencies; and
- the revaluation to the budget rate of exchange from 0.95 to 0.97 Swiss francs to the US dollar.

**46.** In addition, tight cost control, international bidding, expansion of collaborative procurement activities and competitive market forces have all contributed to cost savings which are adjusted for in the programme and budget.



## Policy outcomes

47. The ten policy outcomes address critical challenges in the world of work. They reflect the priorities of the Organization, aimed at the promotion of social justice through the Decent Work Agenda with its four inseparable, interrelated and mutually supportive strategic objectives of employment, social protection, social dialogue and tripartism, and fundamental principles and rights at work. The policy outcomes comprise integrated responses to contemporary challenges and are framed to address the specific targets of the 2030 Agenda, to which each outcome contributes. Each policy outcome includes a strategy text and corresponding performance indicators and targets for the biennium.

48. The policy outcomes are complemented by four cross-cutting policy drivers relevant to each policy outcome. They are: international labour standards, social dialogue, gender equality and non-discrimination and a just transition to environmental sustainability. The section on cross-cutting policy drivers is followed by a brief overview of regional contexts and an outline of the ILO's work on research and statistics and work undertaken in partnership with the International Training Centre of the ILO in Turin (Turin Centre) on capacity development.

### Outcomes to be achieved in 2018–19

#### Outcome 1: More and better jobs for inclusive growth and improved youth employment prospects

*Outcome statement: Member States implement policies and programmes that promote more and better jobs and enhance youth employment prospects with a view to inclusive growth and development.*

#### The challenge to be addressed

49. The challenge for member States is to generate opportunities for full, productive, freely chosen and decent employment for all women and men who seek to work. In 2016, 197 million people were unemployed and youth unemployment stood at 71 million. While many countries have established policies and programmes to promote decent jobs in the formal economy with a focus on youth, the challenge is compounded by low and volatile economic growth and structural transformations, such as demographic transition and accelerated technological developments, which are reshaping the demand for and supply of labour and skills. Countries affected by conflicts and disasters face additional challenges in promoting jobs and sustaining livelihoods, especially for displaced populations.

#### Key lessons from previous work

50. Countries are affected in different ways by these challenges and responses must reflect the diversity of situations and specific constraints and opportunities. As stated in the conclusions on the second recurrent item discussion on employment, adopted by the International Labour Conference in 2014, a proactive, comprehensive and gender-responsive approach to employment policy that includes coordinated demand- and supply-side measures is needed. In the context of constrained aggregate demand, lessons from crisis response show that a combination of pro-employment macroeconomic frameworks – including an enabling environment for sustainable enterprises and structural transformation – and targeted labour market interventions, particularly for youth, is needed.

51. Social dialogue and tripartite consultation on policy development, including the use of innovative methodologies for jobs and skills diagnostics and employment impact assessments, can maximize impact and sustainability. Public policies that are coordinated across government entities, take into account the key role of the private sector for investment and job creation and promote public–private partnerships can be particularly effective.

Better availability and use of labour market information is essential to effective policy-making while continuous monitoring of the effectiveness of interventions underpins success.

## Expected changes

52. Key expected changes are:

- improved comprehensive employment policies and institutional frameworks that are in line with the Conference conclusions concerning the second recurrent discussion on employment, adequately funded, grounded in tripartite engagement, supported through relevant inter-ministerial and tripartite mechanisms and based on evidence obtained from improved labour market information systems and statistics that can also be used to measure progress towards the SDGs;
- more effective policies and programmes to facilitate the transition of youth into decent work based on evidence of approaches that work, including evaluation and impact assessments, and innovative public–private partnerships;
- more responsive skills development systems, adapted to labour market changes and technological developments in order to reduce job and skill mismatches that hinder enterprise development and employability and to enhance access to the labour market through training;
- concrete steps taken by governments in consultation with the social partners with regard to: (a) pro-employment macroeconomic policies; or (b) sectoral, industrial, trade, infrastructure investment or environmental strategies that generate more and better jobs while promoting structural transformation and enterprise development;
- improved working conditions, including with regard to wages, working time, contractual arrangements and employment protection and enhanced inclusiveness of labour relations and collective bargaining; and
- more effective and inclusive employment services and active labour market policies, including outreach to disadvantaged groups and workers in the informal economy, as well as greater coherence, coordination and regulation of the public and private provision of services.

53. These changes will enable member States to advance towards the attainment of SDG targets 1.b, 4.3, 4.4 and 4.5, 8.1, 8.2, 8.3, 8.5, 8.6, 8.8 and 8.b and 10.4. The ILO will support countries in monitoring progress towards these targets through

the indicators of the Global Indicator Framework under its custodianship 8.2.1, 8.5.1, 8.5.2, 8.6.1 and 8.b.1.

## Means of action and support for constituents

54. The ILO will focus on:

- providing tailor-made policy advice on comprehensive employment policies and specific elements thereof using operational tools such as jobs diagnostics, employment impact assessments, skills anticipation methodologies and school-to-work transition surveys;
- facilitating tripartite employment policy dialogue, including by building constituents' capacities, and advising on effective inter-ministerial coordination mechanisms;
- building constituents' capacities, including through dedicated courses delivered in collaboration with the International Training Centre of the ILO in Turin (Turin Centre);
- research and knowledge sharing, including on emerging patterns in labour markets that shape the future of work; and
- promoting jobs and livelihoods for those most affected by conflicts and disasters and, where appropriate, facilitating refugees' access to labour markets, in particular through the ILO Flagship Programme on Jobs for Peace and Resilience.

55. The most significant outputs to be delivered by the Office in the biennium will include:

- updated and refined operational tools, including jobs diagnostics, employment impact assessments, skills anticipation methodologies, and school-to-work transition surveys focusing on youth labour markets;
- an expanded and updated user-friendly employment policy database, global inventories on working conditions, on industrial relations institutions, and on youth employment policies; and a skills knowledge-sharing platform including a new section on quality apprenticeships;
- a series of high-profile reports analysing trends and policies such as the Global Wage Report and the Global Employment Trends for Youth;
- research studies and reports on jobs and skills mismatches, structural unemployment and underemployment, employment and working conditions in global supply chains, and research in support of the Future of Work, Women at Work and Green Initiatives.



## Synergies across outcomes and cross-cutting policy drivers

56. In line with the Social Justice Declaration, interventions under this outcome will promote synergies across all four strategic objectives and most other outcomes, including responses to demographic challenges and the promotion of social protection floors (Outcome 3); integrating an enabling environment for sustainable enterprises into employment policies and promoting youth entrepreneurship and skills development (Outcome 4); including rural employment and skills development in comprehensive national employment policies (Outcome 5); research on informality and self-employment and on promoting formal jobs as a key pillar of integrated strategies for transition to the formal economy (Outcome 6); analysing interactions between employment and migration policies, including the portability and recognition of migrants' skills (Outcome 9); and capacity building tailored to employers' and workers' organizations (Outcome 10).

57. The strategy is grounded in the fundamental principles and rights at work and includes advocacy for a range of international labour standards with special attention paid to the ratification and effective implementation of Employment Policy Convention, 1964 (No. 122), the Human Resources Development Convention, 1975 (No. 142), the Human Resources Development Recommendation, 2004 (No. 195), the Employment Service Convention, 1948 (No. 88), the Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204), and a number of other relevant instruments, including the Employment and Decent Work for Peace and Resilience Recommendation, 2017 (No. 205). The strategy incorporates a gender equality and non-discrimination approach throughout, including research under the Women at Work Initiative and capacity building. Efforts will be stepped up to promote constituents' use of social dialogue and tripartite mechanisms for the design, reform and implementation of employment and training policies. Environmental sustainability will be integrated into jobs diagnostics and impact assessment methodologies and mainstreamed into substantive technical assistance work.

## External partnerships

58. The ILO will continue its global advocacy for enhanced coherence in approaches to decent job creation and scale up its support for more and better jobs, including through its leadership of the United Nations (UN) system-wide Global Initiative on Decent Jobs for Youth. It will also engage with the Group of 20 (G20), with the BRICS countries (Brazil, Russian Federation, India, China and South Africa) and with regional organizations and will foster South–South cooperation on employment policy. Partnerships and cooperation with the UN system, international financial institutions, regional institutions, development banks and subregional economic communities will be expanded in order to deliver on the employment-related Goals and targets of the 2030 Agenda. At the national level, the strategy will require the involvement of ministries of the economy, finance, production and industry, among others.

## Risk assessment

59. The main risks are:

- that new economic shocks, conflicts and social unrest derail progress towards the expected results and result in increased population displacement within and across borders;
- that lack of preparedness by member States to face rapid and structural labour market changes aggravates job deficits and skills mismatches; and
- that policy-makers and other key influencers are not aware of, or decide not to make use of, the tools, reports and data produced by the ILO.

60. In response to these risks, the ILO will strengthen the evidence base for policy advocacy; address the root causes of decent work deficits; build institutional capacities, especially those of constituents; work closely with partners to build alliances, including for rapid crisis response; and use publicity, advocacy and outreach to promote the take-up of its tools, reports and databases.



## Indicators

<b>Indicator 1.1:</b> Number of member States that have developed, revised, implemented or monitored comprehensive employment frameworks	
<b>Criteria for success</b> At least one of the following must be met:	<b>Target</b> 29 member States (15 in Africa, 2 in the Americas, 1 in Arab States, 7 in Asia–Pacific, 4 in Europe–Central Asia)
1.1.1 A gender-responsive comprehensive employment policy framework guided by relevant international labour standards is developed, revised, implemented or monitored in consultation with the social partners.	<b>Means of verification/source of data</b> Official published documentation; SDG national reports; <i>Official Gazettes</i> ; reports of the supervisory bodies; ILO register of ratifications.
1.1.2 Government establishes or strengthens inter-ministerial coordination mechanisms or tripartite institutions for the periodic review of employment frameworks and outcomes using improved labour market information and SDG indicators.	<b>Baseline</b> 70 member States (34 in Africa, 6 in the Americas, 2 in Arab States, 16 in Asia–Pacific, 12 in Europe–Central Asia)
1.1.3 Government ratifies the Employment Policy Convention, 1964 (No. 122) or takes action to address implementation gaps in consultation with the social partners.	
<b>Indicator 1.2:</b> Number of member States that have taken targeted action on decent jobs for young women and men through the development and implementation of multi-pronged policies and programmes	
<b>Criteria for success</b> At least two of the following must be met:	<b>Target</b> 28 member States (10 in Africa, 6 in the Americas, 7 in Asia–Pacific, 5 in Europe–Central Asia)
1.2.1 An evidence-based multi-pronged strategy or action plan that promotes skills and decent jobs for young women and men is developed, implemented or reviewed in consultation with the social partners and taking into account relevant international labour standards.	<b>Means of verification/source of data</b> National publications and reports; ILO reports; assessment and evaluation reports of tripartite skills councils; reports on apprenticeship and other relevant programmes, including the Jobs for Peace and Resilience Flagship Programme and the Green Jobs Programme.
1.2.2 New or improved programmes, including apprenticeship and entrepreneurship programmes, that facilitate school-to-work transition for young women and men including disadvantaged youth are put in place and regularly assessed.	<b>Baseline</b> 54 member States (22 in Africa, 12 in the Americas, 11 in Asia–Pacific, 9 in Europe–Central Asia)
1.2.3 Youth employment programmes in response to conflicts, natural disasters or environmental crises are developed or implemented.	
<b>Indicator 1.3:</b> Number of member States in which constituents have taken action on skills development systems, strategies and programmes to reduce skills mismatches and enhance access to the labour market	
<b>Criteria for success</b> At least one of the following must be met:	<b>Target</b> 28 member States (9 in Africa, 7 in the Americas, 6 in Asia–Pacific, 6 in Europe–Central Asia)
1.3.1 Government, in consultation with the social partners, develops, revises or implements evidence-based policies and programmes that improve the quality, relevance and recognition of skills systems or enhance the engagement of employers and workers in them.	<b>Means of verification/source of data</b> National publications and reports; ILO reports; national and sectoral policies and strategies; impact assessment; social partners' official documents and reports; and evaluation reports.
1.3.2 Government, employers' or workers' organizations develop forward-looking skills strategies to more effectively anticipate and adapt skills training to labour market demands in response to industrial, sectoral, trade, technology or environmental developments.	<b>Baseline</b> 55 member States (23 in Africa, 13 in the Americas, 9 in Asia–Pacific, 10 in Europe–Central Asia)

1.3.3	Government, employers' or workers' organizations develop, revise or implement evidence-based policies and programmes that increase the employability of disadvantaged groups, increase their access to training opportunities and ease transitions into decent work and provide lifelong learning opportunities.	
<b>Indicator 1.4:</b> Number of member States in which constituents have strengthened capacities on pro-employment macroeconomic policies, or have developed and implemented sectoral, industrial, trade, infrastructure investment or environmental policies for structural transformation and for promoting more and better jobs and tackling inequalities		
<b>Criteria for success</b> At least one of the following must be met:		<b>Target</b> 25 member States (14 in Africa, 5 in the Americas, 2 in Arab States, 3 in Asia-Pacific, 1 in Europe-Central Asia)
1.4.1	Government, including finance and planning ministries, central banks or the social partners review macroeconomic policies for more and better jobs based on improved capacity on pro-employment macroeconomic policy frameworks.	<b>Means of verification/source of data</b> Reports from global and regional institutions; ILO global and country reports; participation of ILO constituents in annual employment policy courses at the Turin Centre and in the regions; reports of tripartite meetings, official reports and publications; country studies; evaluation reports and reports from the Jobs for Peace and Resilience Flagship Programme.
1.4.2	Government, employers' or workers' organizations apply ILO quantitative and qualitative employment assessment methodologies in measuring the employment impact of sectoral, industrial, trade and infrastructure investment policies, strategies and programmes, including in global supply chains.	
1.4.3	Government, in consultation with the social partners, implements investment programmes and projects for more and better jobs which are environmentally sustainable, promote gender equality and tackle other forms of discrimination and inequality.	
1.4.4	In countries in situations of fragility, conflict or disaster, government, in consultation with the social partners, includes employment and decent work in conflict prevention, disaster risk reduction and recovery strategies, guided by the Employment and Decent Work for Peace and Resilience Recommendation, 2017 (No. 205).	<b>Baseline</b> 42 member States (25 in Africa, 7 in the Americas, 3 in Arab States, 4 in Asia-Pacific, 3 in Europe-Central Asia)
1.4.5	Government, employers' or workers' organizations assess the labour market implications of digital, green and other new technologies to inform employment, skills and structural transformation policies.	
<b>Indicator 1.5:</b> Number of member States that have formulated or adopted policies, programmes or other measures to improve labour relations, labour market institutions and working conditions		
<b>Criteria for success</b> At least one of the following must be met:		<b>Target</b> 22 member States (8 in Africa, 2 in the Americas, 1 in Arab States, 6 in Asia-Pacific, 5 in Europe-Central Asia)
1.5.1	Government, in consultation with the social partners, formulates or adopts gender-responsive policies and legislation to improve working conditions in at least one of the following areas: wages, working time, contractual arrangements and employment protection.	<b>Means of verification/source of data</b> Published policies and reports of the Ministry of Labour; laws and regulations; reports of employment services.
1.5.2	Measures or policies have been adopted to strengthen labour relations and improve working conditions and terms of employment through collective agreements, including by extending coverage to groups not previously covered.	
		<b>Baseline</b> 41 member States (11 in Africa, 10 in the Americas, 2 in Arab States, 8 in Asia-Pacific, 10 in Europe-Central Asia)

<b>Indicator 1.6:</b> Number of member States that have reviewed regulatory frameworks or adopted measures to enhance the effectiveness and inclusiveness of employment services and active labour market policies		
<b>Criteria for success</b> At least one of the following must be met:		<b>Target</b> 15 member States (5 in Africa, 1 in the Americas, 1 in Arab States, 3 in Asia–Pacific, 5 in Europe–Central Asia)
1.6.1	Government adopts legal or policy measures, including ratification of the Employment Service Convention, 1948 (No. 88), and the Private Employment Agencies Convention, 1997 (No. 181), or strengthens capacity for their enforcement and implementation to ensure effective, inclusive and gender-responsive employment services.	<b>Means of verification/source of data</b> Ratification instruments; adopted legal and policy documents; national reports, ILO reports, and evaluation reports.
1.6.2	Government monitors the effectiveness of active labour market policies, based on evidence, and takes measures to improve their effectiveness and inclusiveness in consultation with the social partners.	
		<b>Baseline</b> 28 member States (9 in Africa, 4 in the Americas, 1 in Arab States, 4 in Asia–Pacific, 10 in Europe–Central Asia)

## Strategic budget

<b>Outcome 1:</b> More and better jobs for inclusive growth and improved youth employment prospects	Regular budget 2018–19 (US\$)	Estimated extra-budgetary expenditure 2018–19 (US\$)
	102 224 836	131 000 000

## Outcome 2: Ratification and application of international labour standards

*Outcome statement: Member States pursue a rights-based approach to inclusive and sustainable development in the world of work through tripartite engagement in the ratification and application of international labour standards.*

### The challenge to be addressed

61. International labour standards provide the normative foundation for the Decent Work Agenda and for the ILO's contribution to the 2030 Agenda. Member States' efforts to adopt a rights-based approach to inclusive and sustainable development are, however, hindered by:

- uneven levels of ratification: excluding the Protocol of 2014 to the Forced Labour Convention, 1930, 133 ratifications by 48 member States are still needed for universal ratification of the eight fundamental ILO Conventions; and
- gaps in the effective application of standards, as evidenced by the comments of the ILO supervisory bodies, owing primarily to deficiencies in legal frameworks, social dialogue institutions and enforcement mechanisms.

62. This situation leaves part of the world's population beyond the reach of international labour standards and calls for action to bridge the gap between the Organization's normative agenda and the translation of that agenda into the tangible improvements at country level that are necessary to advance decent work and social justice.

### Key lessons learned from previous work

63. The ILO supervisory bodies have noted increased ratification and improved application of international labour standards, where a virtuous cycle exists between the ILO's normative function, Decent Work Country Programmes (DWCPs) and technical assistance. The Office's efforts to build tripartite engagement in the adoption, ratification, application, supervision and review of international labour standards have led to higher levels of ownership, eventually enhancing the impact of the ILO standards system through increased ratification and improved application.

## Expected changes

64. Key expected changes are:

- increased reach of international labour standards through wider ratification;
- enhanced action by tripartite constituents and other actors at country level for the application of international labour standards, supported through national and multilateral planning frameworks such as DWCPs and United Nations Development Assistance Frameworks (UNDAFs) or equivalent planning frameworks; and
- effective engagement of and ownership by tripartite constituents in the preparation, adoption, reporting and review of international labour standards.

65. These changes will enable member States to advance towards the attainment of SDG targets 8.5, 8.8 and 16.3. The ILO will support countries in monitoring progress towards these targets primarily through the indicator of the Global Indicator Framework under its custodianship 8.8.2.

## Means of action and support for constituents

66. The ILO will focus on:

- supporting the development and implementation of holistic national policies and action plans for international labour standards ratification, application and reporting and their integration into DWCPs;
- awareness raising, capacity building (typically in collaboration with the Turin Centre) and sharing of information and good practices in order to enable member States to ratify selected Conventions and report on progress in their application;
- engaging constituents in processes leading to the adoption, ratification, implementation, reporting, supervision and review of international labour standards in the context of the Standards Initiative;
- strengthening ILO leadership on labour standards with a focus on gender equality and non-discrimination in the world of work as a contribution to implementation of the 2030 Agenda, and the Women at Work Initiative; and
- supporting SDG follow-up and review with respect to international labour standards and the implementation of related SDG targets and indicators.

67. The most significant outputs to be delivered by the Office in the biennium will include:

- country-specific policy advice and advisory services in light of the comments of the supervisory bodies, the Annual Review mechanism under the 1998 Declaration and the conclusions of the 2017 recurrent discussion on fundamental principles and rights at work;
- preparatory working documents for the preparation of the reports of the ILO supervisory bodies and targeted communication about the published reports;
- Women at Work Initiative Report charting a new rights-based agenda for the ILO's work on gender equality in the world of work;
- technical memoranda on draft labour laws, needs assessments and gap analyses of laws and practice vis-à-vis international labour standards, including with respect to specific population groups most left behind;
- research, analytical documents and knowledge-sharing initiatives to enable an active tripartite participation in ILO standard-setting activities, including the discussions of the Standards Review Mechanism (SRM) Tripartite Working Group and the follow-up to its recommendations;
- training and knowledge-sharing tools updated on the basis of the NORMLEX and NATLEX databases, the Turin Centre online compendiums of court decisions as well as the Centre's training academies on international labour standards and gender equality.

## Synergies across outcomes and cross-cutting policy drivers

68. The promotion of international labour standards is, in itself, a cross-cutting policy driver, essential to delivering substantial results in all policy outcomes. The follow-up to the SRM Tripartite Working Group recommendations will involve work across all policy outcomes with a view to the promotion of up-to-date standards. Furthermore, international labour standards can only be integrated into DWCPs and related national policies and action plans through support provided under the policy areas covered by the other outcomes. An important focus in this respect will be on synergies and on efforts to overcome discrimination and improve working conditions especially of people with disabilities, indigenous people and people living with HIV. This includes: providing assistance for the effective application of international labour standards in rural areas (Outcome 5); promoting legislation reform to facilitate the transition to formality (Outcome 6); developing compliance policies and institutions,

including for global value chains (Outcome 7); improving regulations in relation to the fundamental principles and rights at work (Outcome 8); and enhancing action of workers' and employers' organizations (Outcome 10).

69. Social dialogue is a pivotal element of this outcome strategy in that it strengthens the tripartite constituents' capacity to engage in ILO standards-related processes globally and at the country level, including in order to follow-up on the comments of the supervisory system. Specific tools and instruments will be promoted in order to address inequalities and discrimination at the country level. Research will examine the links between specific ILO standards and the environment with due regard for the fundamental and governance Conventions and for instruments related to the informal economy, indigenous peoples and rural workers.

## External partnerships

70. The ILO will further strengthen its partnerships with other UN agencies, especially the Office of the UN High Commissioner for Human Rights (OHCHR) as well as development agencies, international financial institutions and regional organizations including regional economic

communities, particularly on matters relating to human rights and the SDG indicators of relevance to international labour standards. Partnerships with national judicial institutions and parliaments will be further promoted, including through technical assistance in the area of labour law.

## Risk assessment

71. The main risks are:

- that persistent weak economic recovery shifts national priorities away from the development of rights-based economic and social policies and from the ratification and implementation of international labour standards; and
- that governments are not persuaded to devote sufficient financial and political capital to the ratification of the eight fundamental Conventions and other ILO standards, or to their methodical implementation.

72. In response to these risks, the ILO will leverage the influence of constituents and other partners, launch advocacy campaigns and build partnerships and an enhanced knowledge base, thereby establishing consensus on the role of international labour standards in sustainable development.

## Indicators

<b>Indicator 2.1:</b> Number of member States that have made progress towards full ratification of fundamental and governance Conventions		
<b>Criteria for success</b> Both of the following must be met:		<b>Target</b> 22 member States (3 in Africa, 4 in the Americas, 3 in Arab States, 12 in Asia–Pacific)
2.1.1	Ratification of one or more fundamental and governance Conventions and related Protocols.	<b>Means of verification/source of data</b> Instrument of ratification deposited with the Office; relevant information obtained from the Government of the country ratifying the Convention.
2.1.2	Effective engagement of tripartite constituents in the ratification process.	
		<b>Baseline</b> 150 member States (50 in Africa, 30 in the Americas, 12 in Arab States, 35 in Asia–Pacific, 23 in Europe–Central Asia)



<b>Indicator 2.2:</b> Number of member States that have taken action to apply international labour standards, in particular in response to issues raised by the supervisory bodies		
<b>Criteria for success</b> At least one of the following must be met:  2.2.1 Tripartite mechanisms are established or strengthened for prevention and resolution of labour standards-related conflicts at national level. 2.2.2 Domestic courts use international labour standards in their decisions. 2.2.3 Progress in the application of ratified Conventions, including the adoption, monitoring and enforcement of laws and regulations and access to remedies for non-compliance, is noted with satisfaction by the supervisory bodies. 2.2.4 Government, employers' or workers' organizations take measures to promote the ratification of international labour standards or to address issues raised by the supervisory bodies in the context of implementation of the DWCP, UNDAF or equivalent planning framework.	<b>Target</b> 60 member States (25 in Africa, 13 in the Americas, 4 in Arab States, 11 in Asia-Pacific, 7 in Europe-Central Asia)	
	<b>Means of verification/source of data</b> Reports by the ILO supervisory bodies; ILO databases maintained on national judicial decisions and on supervisory body comments; priority areas identified in current or draft DWCPs under implementation in the strategic plan period.	
	<b>Baseline</b> 119 member States (39 in Africa, 22 in the Americas, 11 in Arab States, 21 in Asia-Pacific, 26 in Europe-Central Asia)	
<b>Indicator 2.3:</b> Number of member States in which constituents provide timely response for the preparation of and reporting on international labour standards		
<b>Criteria for success</b> At least one of the following must be met:  2.3.1 Government, employers' and workers' organizations at country level respond to questionnaires on draft standards. 2.3.2 Articles 22 and 23 reports are received by 1 September each year, including through e-reporting.	<b>Target</b> 25 member States (9 in Africa, 6 in the Americas, 1 in Arab States, 6 in Asia-Pacific, 3 in Europe-Central Asia)	
	<b>Means of verification/source of data</b> ILO databases tracking the receipt of article 22 reports and article 23 comments; International Labour Conference reports on the answers received to questionnaires on draft standards; reports of the ILO supervisory bodies.	
	<b>Baseline</b> 160 member States (51 in Africa, 30 in the Americas, 10 in Arab States, 31 in Asia-Pacific, 38 in Europe-Central Asia)	

## Strategic budget

<b>Outcome 2:</b> Ratification and application of international labour standards	Regular budget 2018–19 (US\$)	Estimated extra-budgetary expenditure 2018–19 (US\$)
	56 818 723	16 800 000

## Outcome 3: Creating and extending social protection floors

*Outcome statement: Member States extend social protection and improve the management and sustainability of social protection systems, including social protection floors, in order to prevent and reduce poverty and achieve inclusive growth and social justice.*

### The challenge to be addressed

73. The great majority of the world's people are unable to enjoy the fundamental right to social security; approximately three-quarters of them lack adequate social protection. This challenge must be dealt with in order to protect populations, combat poverty and inequalities, address ageing trends, expand sustainable social protection systems and promote socio-economic progress.

### Key lessons from previous work

74. The universal right to social protection must be built into national policies and laws and global and regional frameworks in order to reduce poverty, inequality and social exclusion and to allow such protection to act as an automatic social and economic stabilizer. With political will, sound design, costing and fiscal space analysis and inclusive social dialogue, even in times of financial constraints, social protection systems, including social protection floors, can be progressively established and strengthened.

### Expected changes

75. Key expected changes are:

- improved and modernized national social protection strategies, policies or legal frameworks with extended coverage or enhanced benefits, guided by social dialogue, labour standards and principles promoting gender equality and non-discrimination as well as the inclusion of people with disabilities;
- strengthened governance, financial management and sustainability of social protection delivery through policy and regulatory reforms and institutional capacity building; and
- increased constituent capacity and an expanded knowledge base for an effective implementation of national social protection systems, including SDG monitoring.

76. These changes will enable member States to advance towards the attainment of SDG targets 1.3, 3.8, 5.4, 8.5 and 10.4. The ILO will support countries in monitoring progress towards these targets through indicators of the Global Indicator Framework under its custodianship 1.3.1, 8.b.1 and 10.4.1 and 1.a.2 (as involved agency).

### Means of action and support for constituents

77. The ILO will focus on:

- designing schemes, costing and assessing fiscal space and developing institutional and legal frameworks for building, extending or reforming universal social protection systems, including social protection floors;
- enhancing governance of social protection systems, including financial management, coordination, delivery mechanisms, and promotion of ratification of up-to-date social security standards;
- building the knowledge base to maintain the ILO's position as a leader on social protection;
- supporting SDG monitoring and the implementation of social protection floors through a harmonized set of indicators and gender-disaggregated data collection methodologies;
- promoting innovative, integrated and context-specific approaches with a view to extending coverage and ensuring access to services for informal and rural economy workers, workers in non-standard forms of employment, migrants, domestic workers and others, such as people living with HIV, persons with disabilities and indigenous people;
- strengthening the capacity of governments, employers' and workers' organizations to participate in the design, implementation and monitoring of social protection systems to effectively respond to major changes in the world of work; and
- promoting alliances and partnerships on the decent work objective of social protection for all and ensure its inclusion in global and regional policy agendas and debates;
- implementing the ILO Flagship Programme on Building Social Protection Floors for All.

**78.** The most significant outputs to be delivered by the Office in the biennium will include:

- country-specific advisory services in line with DWCPs, UNDAFs and regional plans, for the expansion, reform and strengthening of financially sustainable social protection systems, in order to provide adequate social protection for all, which will be supported by the Flagship Programme on Building Social Protection Floors for All;
- a national and global monitoring framework, linked to monitoring SDG indicators related to social protection;
- policy products, including country experiences and good practice guides pilot-tested, to support constituents in adapting social protection systems to effectively respond to major changes in the world of work, contributing in particular to the End to Poverty and Future of Work Initiatives;
- new and updated training and learning services reflecting trends and challenges, in particular a training academy on social security in cooperation with the Turin Centre, tailor-made country-specific courses, and free open access online courses;
- leadership, partnerships and tools anchoring ILO principles on social protection into inter-agency work, including in the framework of the Social Protection Inter-Agency Cooperation Board (SPIAC-B), the ILO–UN Social Protection Floor Initiative, the United Nations Development Group (UNDG), G20, International Social Security Association (ISSA) and others;
- technical advisory services to regional organizations such as the African Union, the European Union, the Association of Southeast Asian Nations (ASEAN), BRICS and others.

## Synergies across outcomes and cross-cutting policy drivers

**79.** Interventions will promote synergies across outcomes and cross-cutting policy drivers by addressing in national employment policies the implications of demographic challenges, as well as unemployment and active labour market policies, including through public employment programmes (Outcome 1); bringing informal economy, rural and migrant workers under the umbrella of contributory and non-contributory social protection and facilitating formalization (Outcomes 5, 6 and 9); and building the social partners' capacity to influence policy decisions on social protection (Outcome 10).

**80.** The strategy has a strong normative character. It is guided by and promotes the Social Protection Floors Recommendation, 2012 (No. 202), the Social Security (Minimum Standards) Convention, 1952 (No. 102), and other up-to-date international labour standards with a focus on empowering constituents to develop socially effective, financially efficient and fiscally affordable policies for expanding social security based on effective social dialogue and consultations among tripartite constituents. Special attention will be paid to designing gender-responsive measures and expanding maternity/paternity protection as well as childcare and other care benefits and services. Interventions will take into account the implications for social protection systems of other sustainable development policies and structural change aimed at greener economies.

## External partnerships

**81.** The ILO will continue to build and maintain its leading role in strategic inter-agency initiatives such as the SPIAC-B and the ILO–UN Social Protection Floor Initiative. Alliances and strategic partnerships with other UN agencies, the World Bank, regional banks, the G20 and ISSA will be strengthened and dialogue with the International Monetary Fund (IMF) and the Organisation for Economic Co-operation and Development (OECD) pursued to keep the extension of social protection, including social protection floors, high on global, regional and national agendas. The ILO's work in the UNAIDS Inter-agency Working Group on HIV-Sensitive Social Protection will be continued. A multiplier effect for the promotion of social protection will be created through South–South cooperation and in the framework of cooperation with, among others, the BRICS countries, ASEAN and the African Union. Joint activities through UN country teams will support constituents' efforts to develop national social protection strategies and legal frameworks and implement coordinated social protection systems.

## Risk assessment

**82.** The main risk is that the introduction of precipitous reforms owing to fiscal consolidation pressures leads to negative impacts on coverage and adequacy with detrimental social impacts.

**83.** In response, the ILO will build and mobilize partnerships and launch evidence-based advocacy initiatives highlighting that social protection policies for workers and vulnerable people bring positive social and economic benefits and can be implemented within broader national priorities and a country's economic and fiscal capacities.



## Indicators

<b>Indicator 3.1:</b> Number of member States that have adopted new or improved national social protection strategies, policies or legal frameworks to extend coverage or enhance benefit adequacy	
<b>Criteria for success</b> All of the following must be met:	<b>Target</b> 26 member States (8 in Africa, 4 in the Americas, 3 in Arab States, 8 in Asia–Pacific, 3 in Europe–Central Asia)
3.1.1 The strategies, policies or legal frameworks have been-prepared in consultation with the social partners. 3.1.2 The strategies, policies or legal frameworks are guided by relevant international labour standards. 3.1.3 The strategies, policies or legal frameworks are guided by gender equality and non-discrimination considerations. 3.1.4 The strategies, policies or legal frameworks take into account, where relevant, environmental sustainability or climate change.	<b>Means of verification/source of data</b> Published government reports; <i>Official Gazette</i> ; ministry policies and reports; internal ILO reports; instruments of ratification; tripartite declarations; joint interagency reports.
	<b>Baseline</b> 50 member States (16 in Africa, 12 in the Americas, 5 in Arab States, 13 in Asia–Pacific, 4 in Europe–Central Asia)
<b>Indicator 3.2:</b> Number of member States that have improved their institutional policies or regulatory frameworks to strengthen governance, financial management or sustainability for the delivery of social protection	
<b>Criteria for success</b> At least one of the following must be met:	<b>Target</b> 23 member States (8 in Africa, 5 in the Americas, 2 in Arab States, 7 in Asia–Pacific, 1 in Europe–Central Asia)
3.2.1 Government, in consultation with the social partners, has improved institutional policies or regulatory frameworks to strengthen the governance, financial management and sustainability of a social security scheme. 3.2.2 A national coordination mechanism or institution to support national dialogue on social protection has been strengthened or operationalized. 3.2.3 Government, in consultation with the social partners, endorses recommendations to operationalize the delivery of social protection. 3.2.4 A social protection institution has improved its organizational plan, IT system or administrative infrastructure for more efficient service delivery. 3.2.5 Government ratifies the Social Security (Minimum Standards) Convention, 1952 (No.102) or another up-to-date social security standard.	<b>Means of verification/source of data</b> Published government reports; <i>Official Gazette</i> ; ministry policies and reports; internal ILO reports; monitoring and evaluation reports of social protection programmes; social security inquiry database.
	<b>Baseline</b> 47 member States (19 in Africa, 9 in the Americas, 4 in Arab States, 9 in Asia–Pacific, 6 in Europe–Central Asia)
<b>Indicator 3.3:</b> Number of member States in which constituents have enhanced their knowledge base and capacity to design, manage or monitor social protection systems	
<b>Criteria for success</b> At least one of the following must be met:	<b>Target</b> 14 member States (7 in Africa, 3 in the Americas, 1 in Arab States, 3 in Asia–Pacific)
3.3.1 Government designs or updates a statistical database or a monitoring and evaluation system to measure achievement of SDG targets related to social protection, inform policy design or improve the management and sustainability of social protection. 3.3.2 Government, employers' or workers' organizations design, manage or deliver social protection systems using an ILO or Social Protection Inter Agency Cooperation Board knowledge product. 3.3.3 Government, employers' or workers' organizations develop and implement measures aimed at social protection advocacy, education and awareness.	<b>Means of verification/source of data</b> Published government reports; <i>Official Gazette</i> ; ministry policies and reports; internal ILO reports; monitoring and evaluation reports of social protection programmes.

3.3.4	Social protection institution enhances transparency through the publication of information and statistical indicators on social protection operation, performance and sustainability.	<b>Baseline</b> 30 member States (13 in Africa, 5 in the Americas, 1 in Arab States, 7 in Asia–Pacific, 4 in Europe–Central Asia)
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## Strategic budget

Outcome 3: Creating and extending social protection floors	Regular budget 2018–19 (US\$)	Estimated extra-budgetary expenditure 2018–19 (US\$)
	39 239 216	23 700 000

## Outcome 4: Promoting sustainable enterprises

*Outcome statement: Member States promote sustainable enterprises as a key element of their development strategies and as a means to create more and better jobs.*

### The challenge to be addressed

84. Enterprises face important challenges in the creation of sustainable levels of decent and productive work on a broad scale. Such challenges include uncondusive enabling environments, low productivity, lack of entrepreneurship and skills shortages often linked to poor working conditions and high degrees of informality, insufficient access to appropriate financial services and sometimes difficult industrial relations contexts. It is recognized that the private sector is a key driver of sustainable and inclusive growth, employment creation, and decent work and it is therefore important that these challenges are effectively addressed globally, regionally and nationally.

### Key lessons from previous work

85. It is difficult for stand-alone enterprise development initiatives to produce sustainable impact at scale. This calls for integrated, systemic approaches that improve the functioning of entire markets, sectors and value chains, including global supply chains. It requires fewer and larger interventions and a shift in emphasis from direct delivery through small-scale project-specific interventions to facilitating change based on evidence on what works and what does not work in advancing decent work through the promotion of sustainable enterprises based on a broader range of integrated and interdependent interventions.

### Expected changes

86. Key expected changes are:

- effective reforms of the business environment through the promotion of sustainable enterprises which fosters the creation and growth of sustainable enterprises that generate decent work, accommodating their diversity and enhancing the economic, social and environmental performance of such enterprises, strengthening access to finance and investment and facilitating formalization and promoting sound industrial relations and collective bargaining;
- effective interventions directly assisting enterprises and potential entrepreneurs that lead to the creation and growth of sustainable enterprises, including cooperatives and social enterprises; and
- enhanced integration of enterprises as well as potential entrepreneurs into global supply chains and other value chains, resulting in better working conditions, effective coverage under social security for work injury, higher productivity and cleaner production.

87. These changes will enable member States to advance towards the attainment of SDG targets 8.3, 8.4, 8.10 and 9.3. The ILO will support countries in monitoring progress towards these targets primarily through the indicator of the Global Indicator Framework under its custodianship 8.3.1.

## Means of action and support for constituents

88. The ILO will focus on:

- creating an enabling environment for the promotion of sustainable enterprises;
- improving the functioning of markets and sectors to facilitate the promotion of sustainable enterprises. This will be done through integrated and systemic value chain development that is aligned with the ILO mandate of the protection of labour rights;
- developing entrepreneurship and business skills, working closely with the Turin Centre and using ILO training products such as those focused on small and medium-sized enterprises (SMEs), cooperatives, social and solidarity economy enterprises, social finance, green jobs, women and young entrepreneurs and those with disabilities;
- helping SMEs to increase productivity and resource efficiency and improve working conditions and social protection through programmes such as Sustaining Competitive and Responsible Enterprises (SCORE) and by leveraging synergies with other programmes, such as Better Work;
- linking enterprises to social security and contributing to social protection floors;
- improving access to financial services using the Making Microfinance Work package and the Impact Insurance Facility tools and promoting social and environmental safeguards with banks and investment funds; promoting the principles of the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) through country-level support and tools for business including the ILO helpdesk for business as the one-stop-shop for enterprises seeking guidance on international labour standards;
- using the Enterprises and Green Initiatives as a means to increasing levels of engagement with enterprises and the entrenchment of globally accepted principles as set out in the 2030 Agenda; and
- strengthening the knowledge base and providing technical assistance on the promotion of social enterprises as an effective vehicle for enterprise development.

89. The most significant outputs to be delivered by the Office in the biennium will include:

- assessments of the enabling environment and prioritized action and monitoring plans on suggested changes and reform proposals;
- technical support with regard to monitoring and evaluation of what works in sustainable enterprise development and financial inclusion, including policy briefs and knowledge-sharing initiatives on new evidence generated in this respect;
- analysis and intervention design for upgrading of markets, sectors, or value chains including global supply chains;
- training and advisory packages for enterprises as well as for potential entrepreneurs; and tools to enhance the capacity of relevant networks of intermediaries including ILO constituents, local training institutes and financial institutions;
- technical assistance, including training, to tripartite constituents on implementing the principles of the revised MNE Declaration and increased collaboration at the country level with international organizations under already established global partnerships in order to align activities, prevent duplication and explore joint initiatives.

## Synergies across outcomes and cross-cutting policy drivers

90. Interventions will draw on synergies with other outcomes, in particular Outcomes 1, 3, 6 and 7 on policies and integrated processes to foster enabling conditions for enterprise development and growth, including formalization and measures for young people. The strategy will also address issues such as improved linkages between enterprises and social security institutions (Outcome 3), value chain development for agro-industries and cooperatives, climate change resilience, and social and environmental sustainability in the rural economy (Outcome 5); and strengthening the capacity of workers' and employers' organizations to engage in dialogue on policy reform and provide services to enterprises (Outcome 10).

91. The promotion of international labour standards as agreed in the Conclusions concerning the promotion of sustainable enterprises adopted by the International Labour Conference in 2007 is an integral part of enterprise development initiatives. Outcome 4 will also promote the MNE Declaration. Enhancing constituents' capacity to engage in social dialogue on policy reforms and deliver enterprise-level interventions will be a key element of the strategy. Policy reform efforts will include advice and recommendations on gender

mainstreaming and supporting women in business, and enterprise-level interventions will, where appropriate, adopt a specific, targeted focus on women entrepreneurs. Environmental sustainability will be promoted through enterprise-level support for cleaner, resource-efficient operations and innovations in clean technology and products for new green markets in light of growth opportunities in specific sectors.

## External partnerships

**92.** The ILO will seek to establish new partnerships and to extend and better leverage existing partnerships in order to implement larger, holistic country-level interventions within the context of DWCPs and UNDAFs or equivalent planning frameworks, generate and disseminate knowledge on the outcome of enterprise development interventions and enhance policy coherence at the national and global levels.

**93.** Key partners will include intergovernmental and other international organizations such as the OHCHR, the Office of the United Nations High Commissioner for Refugees (UNHCR), the United Nations Framework Convention on Climate Change (UNFCCC) secretariat, the United Nations Global Compact, the International Co-operative Alliance, the Microinsurance Network, the Climate Vulnerable Forum, the Partnership for Action on Green Economy (PAGE), the OECD, the United Nations Conference on Trade and Development

(UNCTAD), the ISSA, the International Actuarial Association, and the World Bank Group, as well as individual enterprises in the context of the Enterprises Initiative.

## Risk assessment

**94.** The main risks are:

- that policy support does not result in the intended changes owing to the many interdependent areas of intervention that often need to be addressed simultaneously and due to the complexity of national policy processes; and
- that key decision-makers are not aware of the results of the ILO's work in this area, or do not implement the ILO's advice in a methodical and sustained manner.

**95.** In response to these risks, the ILO will encourage and support constituents in setting clear priorities at the beginning of policy dialogues and in being actively engaged throughout the implementation of the policies. It will also produce and disseminate knowledge about the cost and benefits of enterprise-level interventions, and will target capacity building and advice for constituents on the appropriate role of governments in providing subsidies from national budgets for needed services towards the attainment of sustainable enterprises.

## Indicators

**Indicator 4.1:** Number of member States that have formulated or adopted reforms of the business environment that contribute to an enabling environment for sustainable enterprises

### Criteria for success

All of the following must be met:

- 4.1.1 Systematic assessments of the enabling environment are conducted applying ILO methodology.
- 4.1.2 Prioritized action plans and monitoring and evaluation frameworks are based on dialogue and consultation with constituents and reflect their views.
- 4.1.3 Resulting reforms are gender responsive and promote equality and non-discrimination.

### Target

24 member States (12 in Africa, 2 in the Americas, 3 in Arab States, 6 in Asia-Pacific, 1 in Europe-Central Asia)

### Means of verification/source of data

Official documents and reports; ILO reports.

### Baseline

37 member States (15 in Africa, 6 in the Americas, 2 in Arab States, 8 in Asia-Pacific, 6 in Europe-Central Asia)

<b>Indicator 4.2:</b> Number of member States in which effective interventions to directly assist sustainable enterprises as well as potential entrepreneurs have been designed and implemented		
<b>Criteria for success</b> At least one of the following must be met:	<b>Target</b> 31 member States (10 in Africa, 6 in the Americas, 6 in Arab States, 9 in Asia–Pacific)	
	<b>Means of verification/source of data</b> Official documents and reports.	
	<b>Baseline</b> 67 member States (33 in Africa, 11 in the Americas, 7 in Arab States, 11 in Asia–Pacific, 5 in Europe–Central Asia)	
<b>Indicator 4.3:</b> Number of member States that have designed and implemented dialogue platforms on responsible business practices or effective programmes for improving the functioning of markets, sectors and value chains in order to promote decent work		
<b>Criteria for success</b> At least one of the following must be met:	<b>Target</b> 21 member States (14 in Africa, 2 in the Americas, 5 in Asia–Pacific)	
	<b>Means of verification/source of data</b> Official documents and reports.	
	<b>Baseline</b> 29 member States (15 in Africa, 5 in the Americas, 6 in Asia–Pacific, 3 in Europe–Central Asia)	

## Strategic budget

<b>Outcome 4:</b> Promoting sustainable enterprises	Regular budget 2018–19 (US\$)	Estimated extra-budgetary expenditure 2018–19 (US\$)
	45 567 359	61 800 000

## Outcome 5: Decent work in the rural economy

*Outcome statement: The tripartite constituents develop policies, strategies and programmes that increase productive employment opportunities and decent work in the rural economy.*

### The challenge to be addressed

96. Rural areas are potential engines of growth, development and decent work but this is often overlooked in national and international policy



agendas. Almost 80 per cent of the world's working poor are employed in these areas, where informality is high and decent work deficits pervasive. A lack of effective policies targeting employment and labour issues in the rural economy, compounded by weak institutional and legal frameworks and an inadequate knowledge base, must be addressed in order to fully address the potential of rural areas.

## Key lessons from previous work

97. The multifaceted challenges in rural areas require an integrated approach that places decent work at the centre of national development frameworks and strategies. Interventions are likely to have greater impact and sustainability if they combine policy support for constituents with targeted action in specific sectors. As a source of income for the majority of the rural poor, the agro-food, fishing and aquaculture sectors have tremendous potential to unlock inclusive, green and climate-resilient growth. Strengthening the collective voice of rural workers and employers and empowering women and indigenous communities is key.

## Expected changes

98. Key expected changes are:

- new or revised strategies or policies to effectively target employment and decent work challenges in rural areas, based on social dialogue and informed by research and timely, reliable labour statistics;
- improved national regulatory and institutional environments and effective targeted programmes implemented for the promotion of quality jobs and decent work in the rural economy; and
- strengthened participation of rural employers' and workers' organizations and representative organizations in the rural economy in economic and social development.

99. These changes will enable member States to advance towards the attainment of SDG targets 1.2, 2.3 and 8.2. The ILO will support countries in monitoring progress towards these targets primarily through the indicator of the Global Indicator Framework for which it is the involved agency 1.1.1.

## Means of action and support for constituents

100. The ILO will focus on:

- providing technical assistance for the development and implementation of policies and strategies that prioritize the promotion of productive employment and decent work in the rural economy;
- providing technical advice on ratification and effective implementation of the relevant ILO instruments and revision of legal and regulatory frameworks;
- strengthening the knowledge base and national statistical offices' capacity to collect and analyse labour statistics and decent work indicators (including SDG indicators), disaggregated by rural/urban area, sex and demographic subgroup, to support evidence-based policy-making;
- building constituents' capacity by helping to organize rural workers and employers and improving the institutional framework for social dialogue, workplace compliance with international labour standards, national law and collective agreements; and
- developing targeted interventions in key sectors of the rural economy, particularly the agro-food sector with a focus on plantations, fishing and aquaculture, in order to reduce informality and empower women and indigenous peoples.

101. The most significant outputs to be delivered by the Office in the biennium will include:

- policies and strategies that prioritize productive employment and decent work in rural areas and include action for gender equality and non-discrimination, and a just transition to environmental sustainability;
- sector-specific programmes focusing, inter alia, on sustainable rural enterprise development and cooperative promotion; finance and business development services; skills for improved productivity, rural infrastructure, social protection and occupational safety and health (OSH);
- diagnostic studies and country-specific interventions in the plantations sector to improve working conditions and to promote fundamental principles and rights at work;
- policy-oriented research, including the impact of agro-food supply chains on decent work and rights, as requested by the Conclusions of the 105th Session of the International Labour Conference (2016) concerning decent work in global supply chains;
- database of employment and labour statistics disaggregated by urban/rural areas, by sex and by demographic subgroup, and capacity

building and technical assistance to improve labour statistics and decent work indicators;

- capacity-building and knowledge-sharing initiatives for constituents, developed in cooperation with the Turin Centre.

## Synergies across outcomes and cross-cutting policy drivers

**102.** Given the cross-cutting nature of this outcome, the strategy will foster synergies with all ten policy outcomes including by: addressing the specific needs of rural areas in national employment policies (Outcome 1); promoting the ratification and implementation of the fundamental Conventions and the standards most relevant to the rural economy (Outcome 2); extending social protection to rural workers (Outcome 3); increasing climate change resilience through the development of sustainable rural enterprises (Outcome 4); improving working conditions and reduce informality in targeted sectors (Outcome 6); and strengthening the regulatory capacity in relation to unacceptable forms of work in rural areas (Outcome 8).

**103.** Particular attention will be paid to addressing discrimination against women and girls, whose empowerment is key to reducing poverty and hunger; safeguarding the rights of indigenous peoples and other groups that are vulnerable to discrimination, including persons with disabilities; strengthening the organization and representation of rural workers' and employers' organizations (Outcome 10); improving the institutional framework for social dialogue; and promoting a just transition to environmental sustainability and green jobs in the sectors most affected by climate change.

## External partnerships

**104.** In light of the challenges to decent work in the rural economy, it is vital to leverage resources and align policy through partnerships with other international organizations and agencies with a focus on comparative advantage. The ILO will strengthen synergies with development partners such as the Food and Agriculture Organization of the United Nations (FAO), the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP), the UNFCCC secretariat, the OECD, regional development banks and the World Bank Group through advocacy and country-level interventions to promote productive, decent jobs in the rural economy. It will continue to participate in the work of the FAO-hosted Committee on World Food Security and the UN Secretary-General's High-Level Task Force on Global Food and Nutrition Security (HLFT).

## Risk assessment

**105.** The main risk is that public policy and investment continues to be biased in favour of urban areas, leading to insufficient resources for rural areas and poor or uncoordinated public policies in agriculture and rural development, thereby significantly damaging rural employment, wages and social protection in rural areas.

**106.** In response, the ILO will use evidence-based research and advocacy to highlight the centrality of decent work in the rural economy to the 2030 Agenda and demonstrate the impact of programmes and policies that leverage the potential of rural areas as engines of growth and sources of employment and development.

## Indicators

<b>Indicator 5.1:</b> Number of member States that formulate or adopt strategies or policies that target employment and decent work in rural areas		
<b>Criteria for success</b> All of the following must be met:		<b>Target</b> 12 member States (9 in Africa, 2 in the Americas, 1 in Asia-Pacific)
5.1.1	The employment and decent work dimensions of the strategies/policies target groups that are most vulnerable to discrimination and exclusion and other decent work deficits in rural areas.	<b>Means of verification/source of data</b> Government policies and reports; <i>Official Gazette</i> ; ratification of instruments; ILO and inter-agency reports; ILO statistical database; labour force surveys.
5.1.2	The employment and decent work dimensions of the strategies/policies are based on consultations with constituents.	
5.1.3	The employment and decent work dimensions of the strategies/policies are underpinned by research and reliable, timely and sex- and age-disaggregated labour statistics on rural areas.	
		<b>Baseline</b> 18 member States (11 in Africa, 2 in the Americas, 2 in Arab States, 3 in Asia-Pacific)

<b>Indicator 5.2:</b> Number of member States that have taken concrete steps to promote employment and decent work in rural areas	
<b>Criteria for success</b> At least one of the following must be met:  5.2.1 Improved regulatory framework for the promotion of employment and decent work in rural areas, developed in consultation with the social partners and taking into account relevant international labour standards.  5.2.2 Programmes implemented to improve employment and decent work in selected sectors and industries, including on plantations, taking into account environmental issues.	<b>Target</b> 23 member States (14 in Africa, 4 in the Americas, 5 in Asia-Pacific)
	<b>Means of verification/source of data</b> Government documents; social partners' official documents and reports; ILO reports; law bills, laws and regulations.
	<b>Baseline</b> 27 member States (18 in Africa, 2 in the Americas, 1 in Arab States, 6 in Asia-Pacific)
<b>Indicator 5.3:</b> Number of member States that have established or strengthened mechanisms for consultation and social dialogue in the rural economy	
<b>Criteria for success</b> Both of the following must be met:  5.3.1 The mechanisms for consultation and social dialogue include rural employers, workers and their organizations.  5.3.2 The mechanisms for consultation and social dialogue ensure genuine and active representation and participation.	<b>Target</b> 11 member States (8 in Africa, 2 in the Americas, 1 in Asia-Pacific)
	<b>Means of verification/source of data</b> ILO Industrial relations database; (sectoral) meeting reports; policies, and programme reports.
	<b>Baseline</b> 18 member States (12 in Africa, 4 in the Americas, 2 in Asia-Pacific)

## Strategic budget

<b>Outcome 5:</b> Decent work in the rural economy	Regular budget 2018–19 (US\$)	Estimated extra-budgetary expenditure 2018–19 (US\$)
	27 431 174	12 000 000

## Outcome 6: Formalization of the informal economy

*Outcome statement: Member States develop or improve legislation and policies to facilitate the transition to formality and the social partners extend representation and services to people working in the informal economy.*

while heterogeneous, are typically characterized by a high incidence of poverty, inequality and vulnerability and severe, widespread decent work deficits.

### The challenge to be addressed

**107.** Around half of the world's workforce operates in the informal economy. Its nature and extent vary greatly from one country to another and in some cases, it accounts for over 50 per cent of gross domestic product (GDP). Informal economies,

### Key lessons from previous work

**108.** Economic growth, while a necessary condition, is insufficient to reduce informality; public policies play a key role in that regard. Strategies are more effective when embedded in an integrated policy framework conducive to formalization and are tailored to the characteristics



and needs of specific categories of workers, economic units or sectors, particularly those in need of priority attention. Employers' and workers' organizations play a key role to increase representation in the informal economy, advocate for reform and support the transition to formality.

## Expected changes

**109.** Key expected changes are:

- an enhanced knowledge base on the size, characteristics and drivers of the informal economy enabling action towards formalization and monitoring of progress;
- improved and well-coordinated legislation, policies and compliance mechanisms that facilitate the transition to formality, including for those most vulnerable to decent work deficits, according to national circumstances; and
- increased action by employers' and workers' organizations and representative organizations of those in the informal economy to assist workers and economic units in the informal economy and facilitate the transition to the formal economy.

**110.** These changes will enable member States to advance towards the attainment of SDG targets 1.4, 8.3, 5.a and 10.2. The ILO will support countries in monitoring progress towards these targets primarily through the indicator of the Global Indicator Framework under its custodianship 8.3.1.

## Means of action and support for constituents

**111.** The ILO will focus on:

- helping member States to formulate strategies for the transition to formality in light of their specific needs, facilitate the transition of specific categories of workers, economic units or sectors, strengthen policies conducive to formalization and prevent the informalization of formal economy jobs;
- conducting diagnoses of the informal economy, including by helping national statistical offices to produce sex-disaggregated statistics for reporting on indicator 8.3.1 under Goal 8 of the SDGs, fostering tripartite consensus on follow-up action and designing systems for regular monitoring of progress towards formalization;
- developing and reforming legislation and policies to facilitate the transition to formality, including by: (a) ensuring that those in the informal economy can exercise the right to freedom of association and collective

bargaining; (b) expanding the scope of legislation to include new forms of employment; (c) designing measures and innovative partnerships to facilitate the formalization of micro- and small enterprises; (d) revising national employment policy frameworks to make formal job creation a central goal; (e) extending social protection, including safety and health and provision of childcare and other care services; (f) revising compliance mechanisms by combining sanctions with preventive and curative measures;

- strengthening coherence and coordination between relevant line ministries and bodies and across levels of government; and
- building the capacity of employers' and workers' organizations to participate in social dialogue on the transition to the formal economy and to extend membership and services to workers and economic units in the informal economy.

**112.** The most significant outputs to be delivered by the Office in the biennium will include:

- awareness-raising materials on the Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204), and guidelines on mainstreaming transition to formality in DWCPs, national employment policies and development strategies;
- methodologies to carry out informal economy diagnoses, to collect statistics on informality in line with SDG indicator 8.3.1 and to establish systems to monitor progress towards formalization; a statistical factbook;
- policy resources packages on: contribution of employers' and workers' organizations to formalization processes; formalization of micro- and small enterprises; formal job creation; extension of social security, occupational safety and health and other labour protection measures to informal economy workers; formalization of vulnerable groups, including domestic workers; compliance strategies and formalization;
- new research on the circumstances under which global supply chains contribute to formality; informality in situations of environmental degradation, post-conflict or disaster; forms of informality in the future of work; arrangements for coordination among institutions to facilitate transition; right to collective bargaining of informal economy workers, including greater equality; drivers of informalization in the Asia-Pacific region; compendium of practice on transition in Latin America and the Caribbean; customized

intervention model on formalization in Europe–Central Asia;

- international sharing of knowledge and experiences; and an academy on formalization in collaboration with the Turin Centre.

## Synergies across outcomes and cross-cutting policy drivers

**113.** Synergies will be promoted across all outcomes on issues such as creating formal jobs and ensuring job quality within broader strategies designed to promote and sustain inclusive growth (Outcome 1); reforming legislation in line with the international labour standards (Outcome 2); strengthening strategies designed to extend social security (Outcome 3); creating formal sustainable enterprises and facilitating the formalization of micro and small businesses (Outcome 4); promoting better working conditions for rural workers (Outcome 5); further developing compliance plans and institutions to increase their effectiveness as drivers for formalization, including in global supply chains (Outcome 7); promote formalization of migrant workers (Outcome 9); and extending membership and services of employers' and workers' organizations to workers and economic units in the informal economy (Outcome 10).

**114.** Interventions will seek to ensure the application of the relevant international labour standards, notably: the Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204), and the normative instruments listed in the annex thereto. Strengthening the social partners' capacity to engage in social dialogue on supporting the transition to formality will be crucial. All interventions will address the needs of women and of those most vulnerable to decent work deficits and facilitate their access and transition to

formal employment. The impact of the informal economy on ecosystems and the way in which environmental policies affect the transition to formality will be assessed where appropriate.

## External partnerships

**115.** Advocacy and joint initiatives will be implemented with the World Bank and other regional and international organizations on productivity and the cost and benefits of formalization, with the European Commission on reducing unregistered employment in Europe, with the OECD on drivers of informality, and with Women in Informal Employment: Globalizing and Organizing (WIEGO) and other relevant organizations on statistics. Partnerships with UN agencies will be strengthened in order to foster consensus on the use of Recommendation No. 204 as a powerful policy tool for achievement of the SDGs.

## Risk assessment

**116.** The main risks are:

- that divergent views about the causes of informality and the priorities for addressing it are not reconciled, leading to conflicting approaches or a lack of focus; and
- that a change in the political landscape or worsening economic conditions create incentives among some economic actors that obstruct progress.

**117.** In response to these risks, the ILO will strengthen the knowledge base on the informal economy, improve the dissemination of research and evaluation findings and promote integrated strategies, partnerships and effective social dialogue.

## Indicators

**Indicator 6.1:** Number of member States in which constituents have developed a common understanding and a basis for monitoring informality with a view to facilitating progress towards formalization

### Criteria for success

Both of the following must be met:

- 6.1.1 The common understanding is based on a proper diagnosis of informality and its incidence at the national level, developed by the government in consultation with the social partners.
- 6.1.2 A gender responsive monitoring system to assess progress towards formalization, including the most vulnerable to decent work deficits, is in place.

### Target

21 member States (9 in Africa, 6 in the Americas, 1 in Arab States, 3 in Asia–Pacific, 2 in Europe–Central Asia)

### Means of verification/source of data

*Official Gazette*; annual reports of government bodies; intergovernmental official documents; tripartite agreements; official diagnostic reports; other published documents.

	<b>Baseline</b> 42 member States (19 in Africa, 9 in the Americas, 3 in Arab States, 4 in Asia–Pacific, 7 in Europe–Central Asia)
<b>Indicator 6.2:</b> Number of member States that have developed or revised integrated policies, legislation or compliance mechanisms, to facilitate transition to formality, including for specific groups of workers or economic units	
<b>Criteria for success</b> All of the following must be met:	<b>Target</b> 26 member States (8 in Africa, 9 in the Americas, 6 in Asia–Pacific, 3 in Europe–Central Asia)
6.2.1 The new or revised policies, legislation or compliance strategies increase coverage, in law and in practice, including those most vulnerable to decent work deficits. 6.2.2 The new or revised policies, legislation or compliance strategies are gender responsive and promote non-discrimination. 6.2.3 The new or revised policies, legislation or compliance strategies are developed in consultation with the social partners.	<b>Means of verification/source of data</b> <i>Official Gazette</i> ; annual reports of government bodies; intergovernmental official documents; tripartite agreements; reports of supervisory bodies; other published documents.
	<b>Baseline</b> 45 member States (18 in Africa, 15 in the Americas, 8 in Asia–Pacific, 4 in Europe–Central Asia)
<b>Indicator 6.3:</b> Number of member States in which employers' or workers' organizations provide support to workers and economic units in the informal economy for facilitating transition to the formal economy	
<b>Criteria for success</b> At least one of the following must be met:	<b>Target</b> 19 member States (10 in Africa, 2 in the Americas, 1 in Arab States, 5 in Asia–Pacific, 1 in Europe–Central Asia)
6.3.1 Employers' or workers' organizations expand their membership to workers and economic units in the informal economy. 6.3.2 Employers' or workers' organizations provide new or revised services to economic units and workers in the informal economy with a view to facilitating transition to the formal economy. 6.3.3 Employers' organizations develop policy advocacy agendas to foster the transition of informal businesses to formality. 6.3.4 Workers' organizations develop strategies for including informal economy workers in social dialogue.	<b>Means of verification/source of data</b> Reports of workers' organizations; reports of employers' organizations; other published reports and documents.
	<b>Baseline</b> 31 member States (12 in Africa, 6 in the Americas, 1 in Arab States, 7 in Asia–Pacific, 5 in Europe–Central Asia)

## Strategic budget

<b>Outcome 6:</b> Formalization of the informal economy	Regular budget 2018–19 (US\$)	Estimated extra-budgetary expenditure 2018–19 (US\$)
	32 888 086	3 900 000

## Outcome 7: Promoting safe work and workplace compliance including in global supply chains

*Outcome statement: Legal frameworks, policies, systems and regulations on occupational safety and health and workplace compliance, including in global supply chains, are better developed, publicized, observed and enforced with an emphasis on labour inspection.*

### The challenge to be addressed

118. Unsafe work and insufficient compliance with the relevant laws and regulations undermine workers' lives and rights and have an adverse impact on enterprise productivity and economic development. In many countries improvements in the legal and policy frameworks are necessary but often there are difficulties in implementing existing laws, regulations and collective agreements, largely due to institutional capacity constraints. Large potential benefits of social dialogue and improved industrial relations to address inequalities and to enhance workplace compliance are often not realized due to a lack of institutional support and inadequate capacity of employers' and workers' organizations and the labour administrations. Global supply chains provide additional challenges, but also opportunities, in advancing safe work and workplace compliance across national jurisdictions, owing to their scale and complexity and to the types of business models employed.

### Key lessons from previous work

119. Programmes such as Better Work, the International Programme on the Elimination of Child Labour and SCORE have shown that widespread informality is a major barrier to compliance, enforcement and access to remedies and parallel efforts are needed to promote formalization; effective social dialogue and sound industrial relations are critical for the creation of safe, harmonious and productive workplaces; and that interventions are most effective when they are based on a multi-dimensional strategy that includes enhancing labour inspection and enforcement systems, empowering the social partners and leveraging the impact of compliance initiatives in global supply chains.

### Expected changes

120. Key expected changes are:

- improved OSH policies, systems, programmes and legal frameworks, including collective

agreements and their improved implementation based on social dialogue and an expanded knowledge base underpinned by empirical evidence and good practice;

- improved workplace compliance policies, systems, programmes and legal frameworks and their improved implementation through strengthened national capacity of labour administrations, labour inspectorates and other responsible authorities for prevention, enforcement, remediation and dispute settlement; and
- developed or strengthened institutions and mechanisms for tripartite social dialogue, industrial relations and collective bargaining with a view to fostering the involvement of governments, employers' and workers' organizations in addressing inequality and enhancing workplace compliance, including in global supply chains.

121. These changes will enable member States to advance towards the attainment of SDG targets 8.8, 3.9 and 16.6. The ILO will support countries in monitoring progress towards these targets primarily through the indicator of the Global Indicator Framework under its custodianship 8.8.1.

### Means of action and support for constituents

122. The ILO will focus on:

- providing integrated policy advice and capacity building to support the development of comprehensive legislation, as well as national compliance and enforcement strategies, including those that harness the additional resources and opportunities provided by global supply chains;
- building or strengthening labour administrations, compliance and enforcement institutions and systems, particularly labour inspectorates and grievance and dispute settlement mechanisms and access to remedies, in line with international labour standards, including those on gender equality and non-discrimination;
- strengthening the capacity of the social partners and governments to address both women and men's safe work and compliance issues through national and cross-border social dialogue and collective bargaining institutions and mechanisms; and



- improving OSH and workplace compliance through sector-specific, gender-responsive research, advocacy and capacity building, including in global value chains, notably through the ILO Flagship Programmes on Better Work and on Global Action for Prevention on Occupational Safety and Health.

**123.** The most significant outputs to be delivered by the Office in the biennium will include:

- policy and technical advice, including on legal frameworks on OSH and workplace compliance, in particular as applicable to SMEs and the informal economy in priority sectors of global supply chains (including export processing zones (EPZs));
- knowledge tools to collect, analyse and disseminate information including robust, sex-disaggregated data, on OSH and good practices on workplace compliance and prevention and resolution of labour disputes;
- analytical policy and training tools on the role of social dialogue and industrial relations, including cross-border social dialogue, in creating safe and productive workplaces which respect the fundamental principles and rights at work and research on trends and future prospects for labour relations and collective bargaining institutions;
- capacity-building tools and resources on workplace compliance, in particular on labour inspection strategies and methodologies and on OSH to improve the capacity of enterprises to implement sustainable remedial measures in priority sectors of supply chains, including assessments of OSH risks arising from new forms of work and production, climate change and resource scarcity;
- training, including an academy on workplace compliance in collaboration with the Turin Centre, to strengthen OSH, labour administration and inspection systems and workers' access to effective prevention, complaints and remedy mechanisms, in ways relevant to the realities of production within and outside global supply chains;
- platforms for convening labour administrations, social partners and other relevant actors in global supply chains at local, regional and global levels to generate knowledge and ensure effective collaboration and practice for consistent and sustainable solutions in priority sectors, combining public and private efforts in addressing governance gaps.

## Synergies across outcomes and cross-cutting policy drivers

**124.** Effectiveness in delivering efficient support to constituents in these areas rely on the capacity of the strategy to promote significant synergies, in particular, in relation to the development of legislation in line with international labour standards (Outcome 2), the expansion of social protection coverage (Outcome 3), the development of sustainable enterprises (Outcome 4) the upgrading and formalization of enterprises and workers in the lower tiers of global supply chains (Outcome 6) and the provision of policy advice and cooperation focusing on unacceptable forms of work (Outcome 8).

**125.** Implementation of the strategy will be guided by and promote the fundamental Conventions; the Protocol of 2014 to the Forced Labour Convention, 1930; the Labour Inspection Convention, 1947 (No. 81); the Labour Inspection (Agriculture) Convention, 1969 (No. 129); the Labour Administration Convention, 1978 (No. 150); the Occupational Safety and Health Convention, 1981 (No. 155); the Occupational Health Services Convention, 1985 (No. 161); the Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187); and the Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144).

**126.** Social dialogue and capacity building of employers' and workers' organizations (Outcome 10) underpins all work under this outcome. An integral part of the strategy is the enhancement of the representativeness, capacity and expertise of the social partners and the government to actively participate in different forms of tripartite social dialogue. Research will examine the role and effectiveness of cross-border social dialogue institutions and mechanisms, including collective bargaining, in promoting safe work and compliance with relevant regulation. Gender and non-discrimination issues, including maternity protection, equal pay, sexual harassment and violence at work will be integrated in all areas of work and the effects of climate change on the workplace, including OSH risks associated with increasing global temperatures, will be addressed. Sex-disaggregated data will also provide the possibility to address structural barriers to safe work, especially for the high number of women in non-standard forms of employment.

## External partnerships

127. The ILO will leverage partnerships with other UN agencies, including the World Health Organization (WHO), international financial institutions, such as the World Bank Group, the OECD, multinational enterprises, private compliance initiatives and other actors in order to strengthen policy coherence and mobilize support for safe work and workplace compliance including in global supply chains. Partnerships and collaboration with business and trade union research networks and other research centres and associations will be deepened in order to expand the knowledge base in this area.

especially as regards budgetary resources to strengthen national frameworks and support external development cooperation;

- that employers' and workers' organizations do not make sufficient progress in building their internal capacity; and
- that opportunities to exploit global supply chains to improve OSH compliance are missed.

129. In response to these risks, the ILO will intensify advocacy and outreach in order to raise awareness at the national and international levels, in particular through evidence-based knowledge and issue-based alliances.

## Risk assessment

128. The main risks are:

- that governments do not give OSH and workplace compliance sufficient priority,

## Indicators

<b>Indicator 7.1:</b> Number of member States that have developed or revised policies, programmes or legal frameworks or strengthened institutions, systems or mechanisms to improve occupational safety and health	
<b>Criteria for success</b> At least one of the following must be met:	<b>Target</b> 31 member States (13 in Africa, 5 in the Americas, 3 in Arab States, 8 in Asia-Pacific, 2 in Europe-Central Asia)
7.1.1 The new or revised legal frameworks, strategies policies or programmes on OSH are developed through the ratification of one or more up-to-date OSH-related Conventions or guided by international labour standards, including on gender equality and non-discrimination, and in consultation with the social partners.	<b>Means of verification/source of data</b> <i>Official Gazette</i> ; ministry reports; reports of the Committee of Experts on the Application of Conventions and Recommendations; national (OSH) profile; national/sectoral OSH policy; national/sectoral OSH programme; reports from national statistical institutes and ministries, project reports, reports from employers' and workers' organizations; reports from national social dialogue institutions.
7.1.2 Institutions and systems are established or strengthened to improve OSH at international, national, sectoral or enterprise levels based on social dialogue.	
7.1.3 Constituents develop and implement their occupational safety and health mechanisms at national, sectoral or enterprise level for prevention, enforcement and compliance, such as OSH management systems and OSH committees, including for risks resulting from climate change or other environmental factors.	
7.1.4 Government and/or the social partners improve their capacity to collect and utilize OSH data through strengthened reporting and notification systems or other methods.	<b>Baseline</b> 75 member States (29 in Africa, 13 in the Americas, 6 in Arab States, 18 in Asia-Pacific, 9 in Europe-Central Asia)

<b>Indicator 7.2:</b> Number of member States that have developed or revised their laws, regulations, policies or strategies or strengthened their institutions' and systems' capacity to ensure workplace compliance with national labour laws and collective agreements		
<b>Criteria for success</b> At least one of the following must be met:		<b>Target</b> 28 member States (13 in Africa, 5 in the Americas, 3 in Arab States, 6 in Asia–Pacific, 1 in Europe–Central Asia)
7.2.1	Laws and regulations, policies or strategies are developed or revised to improve workplace enforcement and compliance guided by international labour standards, including on gender equality and non-discrimination, and in consultation with the social partners.	<b>Means of verification/source of data</b> Official Gazette, labour inspection reports; Ministry of Labour reports; reports of the Committee of Experts on the Application of Conventions and Recommendations; project reports; impact assessment reports; reports from employers' and workers' organizations; reports from national social dialogue institutions.
7.2.2	Improved organizational structures, increased financial and human resources, improved training, tools or equipment are made available to labour inspection, dispute prevention and resolution, remediation or other labour administration institutions and systems.	
7.2.3	Government and/or the social partners improve their capacity to collect and analyse data, including sex-disaggregated data and statistics, and to produce evidence-based interventions on workplace compliance.	
<b>Baseline</b> 75 member States (28 in Africa, 16 in the Americas, 9 in Arab States, 14 in Asia–Pacific, 8 in Europe–Central Asia)		
<b>Indicator 7.3:</b> Number of member States that have developed or strengthened institutions for tripartite social dialogue, collective bargaining and industrial relations with a view to addressing inequality and enhancing workplace compliance, including in global supply chains		
<b>Criteria for success</b> At least two of the following must be met:		<b>Target</b> 27 member States (12 in Africa, 3 in the Americas, 2 in Arab States, 6 in Asia–Pacific, 4 in Europe–Central Asia)
7.3.1	A mechanism or procedure for collective bargaining at different levels is established, revitalized or reformed.	<b>Means of verification/source of data</b> Labour force surveys; reports of the Committee of Experts on the Application of Conventions and Recommendations; national and/or international data on collective bargaining coverage; data and reports on international framework agreements and other transnational company agreements; reports of national social dialogue institutions; reports from employers' and workers' organizations; adoption of new/amended national laws/regulations on social dialogue and industrial relations; project reports; reports from labour inspectorates.
7.3.2	A policy or procedural guidelines are put in place to facilitate consultation and cooperation between employers and workers' organizations – or in their absence workers' representatives – as well as the examination of grievances at the level of enterprises.	
7.3.3	Industrial relations institutions are established or revitalized and function more effectively to address inequality and to enhance workplace compliance, including in global supply chains.	
7.3.4	Institutions for tripartite social dialogue are established or revitalized to enhance the involvement of employers' and workers' organizations, alongside government representatives, in the formulation and implementation of social and labour policies to enhance workplace compliance.	
7.3.5	Constituents establish or strengthen systems to collect, analyse and produce sex-disaggregated data and statistics in the areas of collective bargaining and industrial relations.	
<b>Baseline</b> 62 member States (27 in Africa, 9 in the Americas, 3 in Arab States, 13 in Asia–Pacific, 10 in Europe–Central Asia)		

## Strategic budget

<b>Outcome 7:</b> Promoting safe work and workplace compliance including in global supply chains	Regular budget 2018–19 (US\$)	Estimated extra-budgetary expenditure 2018–19 (US\$)
	54 309 918	77 500 000



## Outcome 8: Protecting workers from unacceptable forms of work

*Outcome statement: Member States develop or enhance laws and policies, strengthen institutions, and foster partnerships to protect women and men from unacceptable forms of work.*

### The challenge to be addressed

**130.** Work situations that deny fundamental principles and rights at work or put workers' lives, health, freedom, human dignity or security at risk are unacceptable but widespread. Unacceptable forms of work are difficult to address because they occur more frequently in high-risk sectors where there is little regulatory oversight, workers are poorly organized and belong to disadvantaged communities and where the availability of data is problematic. The invisibility of work in the lower tiers of global supply chains – such as home work, where women are overrepresented – puts workers at higher risk, including of work-related violence and harassment.

### Key lessons from previous work

**131.** Sustaining progress on unacceptable forms of work requires integrated approaches that promote fundamental principles and rights at work while addressing the root causes and conditions that render workers more vulnerable to exploitation, including those of disadvantaged groups. The ownership and sustainability of these approaches relies on an understanding of unacceptable forms of work trends and root causes in high-risk sectors and on the development of tailored responses in line with national and local circumstances and capacities. A virtuous cycle that addresses concerns raised by supervisory bodies, technical assistance and national follow-up is essential, as are the engagement of the tripartite constituents and efforts to strengthen the organization and representation of workers in vulnerable situations. Alliances with key institutions can leverage influence and impact.

### Expected changes

**132.** Key expected changes are:

- more effective policies and regulations, informed by an enhanced knowledge base on the extent and patterns of unacceptable forms of work in different sectors, occupations and groups, including migrants, indigenous peoples, people living with HIV and persons with disabilities;

- improved institutional capacity for implementation of policies and regulations, with a focus on the eradication and prevention of forced labour and child labour and all forms of discrimination; the promotion of equal remuneration with emphasis on women in female-dominated, low-paying occupations; the protection of workers from working conditions that put at risk their life or health, including harassment and violent behaviour; and the promotion of freedom of association and of collective bargaining for workers at higher risk of unacceptable forms of work; and
- strengthened advocacy and partnerships with concerned multilateral organizations, civil society groups and media, especially in respect of the eradication of forced and child labour, the promotion of equal remuneration with emphasis on women in female-dominated, low-paying occupations, and the prevention and protection of women and men from work-related violence and harassment.

**133.** These changes will enable member States to advance towards the attainment of several SDG targets, in particular 5.2, 8.5, 8.7 and 8.8 and 10.3. The ILO will support countries in monitoring progress towards these targets through the indicators of the Global Indicator Framework under its custodianship 5.5.2, 8.5.1, 8.5.2 and 8.8.2 and for 8.7.1, together with the United Nations Children's Fund (UNICEF).

### Means of action and support for constituents

**134.** The ILO will focus on:

- promoting ratification and application of the fundamental Conventions, including the Protocol of 2014 to the Forced Labour Convention, 1930; promoting the ratification and improving the application of other relevant international labour standards, including on OSH, home work and indigenous and tribal people; and servicing the Conference Committee responsible for the preparation of any new standard(s) on violence against women and men in the world of work;
- leading efforts to close gaps in elimination of the worst forms of forced and child labour through advocacy and partnerships with international, regional and national organizations, civil society, the media and academia, and through the ILO Flagship

Programme on the Elimination of Child and Forced Labour (IPEC+);

- supporting the monitoring of relevant SDGs by collecting data on selected indicators, disaggregated by sex and, where possible, other relevant criteria such as disability, ethnicity and migrant status;
- supporting the implementation of the multi-stakeholder global equal pay initiative, including the ILO's social partners, to take concrete steps towards making equal remuneration between men and women at the very bottom of the wage distribution a reality, and reduce the gender pay gap;
- helping constituents to develop integrated, gender-responsive and context-specific approaches to protecting workers from unacceptable forms of work in specific high-risk sectors and lower tiers of global supply chains, including ways to prevent and address violence against women and men workers; and
- promoting the empowerment of non-organized workers and those in vulnerable situations through organization and enhanced capacity to engage in collective action.

**135.** The most significant outputs to be delivered by the Office in the biennium will include:

- as a follow-up to the IV Global Conference on the Sustained Eradication of Child Labour (Argentina, 2017), the launching of Alliance 8.7's knowledge and community of practice platform and five regional consultation meetings to develop regional and country-specific interventions;
- reports and policy briefs to inform preparation and negotiation of (a) possible new instrument(s) on violence and harassment against women and men in the world of work and as a contribution to the Women at Work Initiative; and joint information campaigns with the social partners;
- compilation of information for indicators on labour rights (8.8.2) and dissemination of global estimates on forced and child labour that will be produced in 2017;
- follow-up to the launch of the Global Equal Pay Coalition in 2017, and as a contribution to the Women at Work Initiative, a knowledge-sharing platform to serve as a repository for tools, publications and reports on the topic, which will feed and be fed by interventions tailored to different national situations with emphasis on women in female-dominated, low-paying jobs;

- evidence-based policy briefs, reports, practical guides and training materials adapted to constituents' needs on: preventing and eliminating child labour, forced labour and discrimination; preventing occupational diseases and other unacceptable working conditions in selected high-risk sectors; promoting equal remuneration, including by addressing wage discrimination through collective bargaining;
- studies on the impact of: (i) changes in the world of work, due also to the use of new technologies, on the scale and prevalence of unacceptable forms of work by sector, occupation and social groups, as a contribution to the Future of Work Initiative; and (ii) ILO interventions to protect workers from unacceptable forms of work including in response to long-standing concerns of the supervisory bodies in selected countries.

## Synergies across outcomes and cross-cutting policy drivers

**136.** The strategy will draw on synergies with other outcomes, in particular on the ratification of relevant Conventions and follow-up to the comments of the ILO supervisory bodies, with a focus on the fundamental principles and rights at work (Outcome 2) and on issues such as: strengthening the regulatory capacity in order to promote decent work in the rural economy where a significant number of workers in unacceptable forms of work can be found (Outcome 5); bringing workers into work arrangements that offer better protection through formalization of the informal economy (Outcome 6); promoting safe work and workplace compliance including in global supply chains (Outcome 7); and creating an enabling policy environment for the protection of, and decent work opportunities for, migrant workers, refugees and forcibly displaced persons (Outcome 9).

**137.** A central element of the strategy is capacity building for workers' and employers' organizations to engage in effective social dialogue around policies and strategies in relation to unacceptable forms of work (Outcome 10). Data collection, research, policy advice and capacity building will address the needs of workers in unacceptable forms of work or at risk, taking account that different strategies may be needed depending on characteristics such as age, gender, national or ethnic background, health status and ability. Where relevant, the implications for a just transition to a green economy will be included in those interventions aimed at breaking the cycle of poverty and reducing inequality, especially in relation to forced and child labour.

## External partnerships

**138.** Partnerships with key institutions will leverage knowledge and resources to strengthen action and catalyse policy influence at all levels with a view to more effective prevention of forced and child labour and protection of workers. The ILO will take a leading role in the Alliance 8.7 to end child labour and modern slavery and will partner with UNICEF on the eradication of the worst forms of child labour. The ILO will co-lead with UN Women on an Equal Pay Coalition aimed at the implementation of SDG target 8.5. Recognizing the implications of domestic violence for the workplace, the ILO will also join forces with entities such as the Domestic Violence@Work network in Western University in Canada to conduct research and mobilize knowledge and action on this issue and broaden the ILO's outreach beyond its constituents.

## Risk assessment

**139.** The main risks are:

- that insufficient sustained political commitment at national level is brought to bear to achieve the intended results;

- that governments lack the evidence to inform the direction of policy initiatives or to coordinate the contribution of key stakeholder groups; and
- that the prevalence of unacceptable forms of work intensifies and effective solutions are more difficult to devise, because growing inequalities, vulnerabilities and backlash against globalization erode political commitment for principles and rights concerning non-discrimination and equality and freedom of association and collective bargaining.

**140.** In response to these risks, the ILO will use advocacy and evidence-based research to foster political commitment. It will complement this by diversifying the target countries and enhancing the Office's ability to deliver, drawing on cooperative working methods and strategic use of resources, including ILO flagship development cooperation programmes.

## Indicators

<b>Indicator 8.1:</b> Number of member States that have developed or revised laws or policies to protect women and men workers in high-risk sectors, especially in vulnerable situations, from unacceptable forms of work	
<b>Criteria for success</b> All of the following must be met: <ul style="list-style-type: none"> <li>8.1.1 The new or revised laws or policies are guided by international labour standards concerning fundamental principles and rights at work, OSH and conditions of work, including wages.</li> <li>8.1.2 The new or revised laws or policies are based on consultations with the social partners.</li> <li>8.1.3 The new or revised laws or policies are gender responsive and promote non-discrimination.</li> <li>8.1.4 The new or revised laws or policies are evidence-based and include coverage of those in vulnerable situations.</li> </ul>	<b>Target</b> 27 member States (10 in Africa, 5 in the Americas, 2 in Arab States, 9 in Asia-Pacific, 1 in Europe-Central Asia)
	<b>Means of verification/source of data</b> <i>Official Gazette</i> ; government reports; reports of tripartite bodies; tripartite agreements; reports of the International Labour Conference; reports of the supervisory bodies; ILO internal reports.
	<b>Baseline</b> 40 member States (16 in Africa, 7 in the Americas, 2 in Arab States, 9 in Asia-Pacific, 6 in Europe-Central Asia)

<b>Indicator 8.2:</b> Number of member States in which constituents have strengthened their institutional capacity to protect workers from unacceptable forms of work, especially those disadvantaged or in vulnerable situations		
<b>Criteria for success</b> At least one of the following must be met:	8.2.1 Employers' or workers' organizations provide guidance or services to their members to effectively address and prevent unacceptable forms of work.	<b>Target</b> 38 member States (18 in Africa, 8 in the Americas, 3 in Arab States, 8 in Asia–Pacific, 1 in Europe–Central Asia)
	8.2.2 National or sectoral bodies take measures to coordinate and monitor action to protect workers from unacceptable forms of work, including, where relevant, those that are affected by environmental degradation or disasters.	<b>Means of verification/source of data</b> Reports of government bodies; intergovernmental official documents; tripartite agreements; reports of workers' organizations; reports of employers' organizations; reports of the supervisory bodies; other published reports and documents; ILO statistical database.
	8.2.3 Relevant national authorities take specific measures to enforce policies and regulations to protect workers most at risk.	
	8.2.4 Relevant national institutions collect and disseminate statistical data, disaggregated by sex and other variables, as appropriate, on forced labour, child labour and wages.	<b>Baseline</b> 61 member States (32 in Africa, 11 in the Americas, 4 in Arab States, 10 in Asia–Pacific, 4 in Europe–Central Asia)
<b>Indicator 8.3:</b> Number of member States in which tripartite constituents have developed partnerships, including with other stakeholders, for the effective protection of workers, especially those in most vulnerable situations, from unacceptable forms of work.		
<b>Criteria for success</b> At least two of the following must be met:	8.3.1 Government, employers' or workers' organizations, in cooperation with civil society and non-governmental organizations, promote awareness-raising initiatives addressing unacceptable forms of work in particular sectors.	<b>Target</b> 25 member States (10 in Africa, 6 in the Americas, 1 in Arab States, 5 in Asia–Pacific, 3 in Europe–Central Asia)
	8.3.2 Cooperation between government, the social partners and multilateral organizations leads to measures promoting the ratification or application of relevant international labour standards to protect workers from unacceptable forms of work.	<b>Means of verification/source of data</b> ILO reports; reports by multilateral organizations; other published reports.
	8.3.3 Awareness-raising initiatives or policy debates promote integrated approaches to fundamental principles and rights at work so as to reinforce the synergies among them and maximize overall impact.	
		<b>Baseline</b> 46 member States (17 in Africa, 13 in the Americas, 2 in Arab States, 7 in Asia–Pacific, 7 in Europe–Central Asia)

## Strategic budget

<b>Outcome 8:</b> Protecting workers from unacceptable forms of work	Regular budget 2018–19 (US\$)	Estimated extra-budgetary expenditure 2018–19 (US\$)
	41 849 658	82 100 000

## Outcome 9: Fair and effective international labour migration and mobility

*Outcome statement: Member States adopt fair and effective international labour migration and mobility policies and establish measures for their implementation at the national, regional or subregional levels to better protect the rights of persons working abroad and meet labour market needs.*

### The challenge to be addressed

141. Of the 150 million international migrant workers, nearly half are women and the complexity of labour migration and mobility, including refugee flows, is growing. Many countries are under-equipped to handle this situation, which, owing to poor labour market functioning and weak governance, results in irregular migration, underutilization of skills, job mismatches, discrimination, widening inequality and exploitation, including in recruitment. This increases social tensions and obscures public recognition of and support for these workers' positive contribution to societies.

### Key lessons from previous work

142. The ILO can leverage implementation of international labour standards and policy guidance and accelerate reform by fostering national and (inter)regional dialogue on good practices, as it has done in the Asian and Arab regions. Efforts to change public policies and attitudes are more effective if supported by reliable data, comparable across borders, on which reform and advocacy programmes can be built. Strengthening the social partners' capacity to engage in policy dialogue is crucial in ensuring the sustainable policy implementation, as seen from experience with constituents in the Economic Community of West African States (ECOWAS), the Southern African Development Community (SADC), ASEAN, and the South Asian Association for Regional Cooperation (SAARC).

### Expected changes

143. Key expected changes are:

- improved national legislation, policies and bilateral or multilateral agreements that are fair, effective and gender-sensitive, inclusive of persons with disabilities, aimed at reducing governance gaps related to international labour migration and mobility in the protection of migrant workers' rights and the functioning

of labour markets, in line with international labour standards; and

- strengthened capacity to implement and monitor fair governance frameworks and to deliver inclusive services for the protection of migrant workers' labour rights; the promotion of productive employment and decent work for migrant workers, refugees, and other forcibly displaced persons.

144. These changes will enable member States to advance towards the attainment of SDG targets 8.8 and 10.7. The ILO will support countries in monitoring progress towards these targets primarily through the indicator of the Global Indicator Framework under its custodianship 10.7.1.

### Means of action and support for constituents

145. The ILO will focus on:

- country-specific integrated policy advice and technical assistance on matters relating to international labour standards; labour market functioning; integration of migrants and new arrivals; and fair recruitment and protection of working conditions in migrant-intensive sectors (for example, the care economy, construction, fishing and agriculture);
- capacity building and learning activities at the national, subregional, regional and global levels, including through the Turin Centre's Academy on Labour Migration, with a view to strengthening constituents' engagement in social dialogue and the social partners' participation in policy debate and implementation;
- support for policy reform and (inter- and intra-) regional dialogue, including by facilitating exchange of good practices and the design and application of internationally agreed statistical guidelines to facilitate the harmonized collection of data on labour migration; and
- expanded partnerships and advocacy to promote ratification and implementation of the relevant ILO Conventions and ensure that ILO approaches are integrated in regional and global debates and responses to movements of migrants and refugees, including in the UN Global Compacts on Migrants and Refugees that are due to be adopted in 2018 and in the



Global Forum on Migration and Development (GFMD) process.

**146.** The most significant outputs to be delivered by the Office in the biennium will include:

- ILO Guidance on Fair Recruitment implemented on a pilot basis to protect migrant workers at risk in at least three migration corridors, and incorporated into facilitated interregional dialogue between two regions;
- practical guidance and advocacy tools on women migrant workers designed and implemented with a focus on the care economy;
- new research on employment and labour migration policies for effective labour market integration and decent work for migrants and other new arrivals, providing recommendations for improved policy coherence and labour market functioning;
- ILO Guiding principles on access of refugees and other forcibly displaced persons to the labour market implemented with the UNHCR on a pilot basis in one region hosting large numbers of refugees;
- global guidelines on international statistical standards on the concepts, definitions and methodologies on labour migration, to be adopted by the 20th International Conference of Labour Statisticians, and a methodology for measuring the SDG 10.7 indicator on recruitment costs piloted with the World Bank in two regions, supporting policy-making and SDG implementation.

## Synergies across outcomes and cross-cutting policy drivers

**147.** Implementation of the strategy will require collaboration across most outcomes, for example to ensure linkages between labour migration and mobility and employment policies, especially considering skills recognition and labour market integration (Outcome 1); to extend social protection to migrant workers, refugees and new arrivals (Outcome 3); to address unacceptable forms of work, discrimination and inequalities affecting migrants, refugees and other forcibly displaced persons (Outcome 8); and to strengthen the capacity of employers' and workers' organizations in the areas of migration policy design, advocacy and member services (Outcome 10).

**148.** The strategy is guided by the relevant international labour standards, including findings of the supervisory bodies, the General Survey on labour migration instruments in 2016 and the

conclusions of the International Labour Conference's general discussion on labour migration in 2017. Strengthening national, subregional and regional social dialogue on labour migration will be a key feature. Linked to the Women at Work Initiative, work on gender equality and non-discrimination will address issues such as the situation of migrant women in the care economy, violence against women migrants, negative health outcomes and exploitation, as well as discrimination in hiring and in the workplace on grounds of ethnicity, nationality, gender, disability and HIV status. Research will assess climate change aspects of labour migration and policy advice on enhanced resilience and adaptation strategies will be provided.

## External partnerships

**149.** The ILO will strengthen collaboration with regional and subregional institutions and build on partnerships in the Global Migration Group, including on the application of a new Guidance Note on Integrating Migration and Displacement in UNDAF or equivalent planning frameworks, strengthening collaboration with International Organization for Migration and contributions supporting the GFMD, including its business mechanism. Partnerships with OHCHR will be strengthened in order to promote a rights-based approach to labour migration, as will those with UNHCR to implement a plan of action under the ILO–UNHCR 2016 Memorandum of Understanding. Cooperation with the World Bank will focus, in particular, on developing indicators for the reduction of labour migration costs. Partnerships with non-governmental organizations, academia, the media, and local authorities will be further expanded.

## Risk assessment

**150.** The main risks are:

- that member States, at the national, regional and global levels, adopt security-based, rather than evidence- and rights-based, migration policies increasing inequality and discrimination against migrant workers; and
- that member States do not allocate sufficient resources to this area or do not put in place effective or appropriate instruments to enforce compliance with existing policies.

**151.** In response to these risks, the ILO will gather data and increase knowledge on evidence-based policies, and will facilitate bilateral and regional dialogue.

## Indicators

<b>Indicator 9.1:</b> Number of member States that have formulated or adopted fair labour migration policies, legislation, bilateral or multilateral agreements improving the protection of migrant workers and others working abroad, and the functioning of labour markets		
<b>Criteria for success</b> All of the following must be met:		<b>Target</b> 22 member States (8 in Africa, 2 in the Americas, 1 in Arab States, 10 in Asia-Pacific, 1 in Europe-Central Asia)
9.1.1	The policies, legislation or agreements are guided by relevant international labour standards and ILO guidance documents and include, where appropriate, action towards ratification.	<b>Means of verification/source of data</b> Official documents, including administrative records; bilateral and multilateral agreements.
9.1.2	The policies, legislation or agreements are based on evidence and linked to employment strategies or policies.	
9.1.3	The policies, legislation or agreements are gender responsive and promote non-discrimination.	
9.1.4	The policies, legislation or agreements are developed in consultation with the social partners.	
<b>Baseline</b> 37 member states (17 in Africa, 2 in the Americas, 1 in Arab States, 16 in Asia-Pacific, 1 in Europe-Central Asia)		
<b>Indicator 9.2:</b> Number of regional and subregional institutions that adopt or revise (sub)regional governance frameworks or arrangements on labour migration or mobility		
<b>Criteria for success</b> All of the following must be met:		<b>Target</b> Asia-Pacific: ASEAN, SAARC Africa: AUC, ECOWAS, SADC
9.2.1	The governance frameworks or arrangements are guided by relevant international labour standards.	<b>Means of verification/source of data</b> Reports of tripartite consultative bodies; ILO reports.
9.2.2	The governance frameworks or arrangements are based on analysis of comparative data or assessments of labour migration or mobility.	
9.2.3	The governance frameworks or arrangements are gender responsive and promote non-discrimination.	
9.2.4	The governance frameworks or arrangements are developed in consultation with the social partners.	
<b>Baseline</b> Asia-Pacific: ASEAN, SAARC Africa: AUC, ECOWAS, EAC, SADC		
<b>Indicator 9.3:</b> Number of member States that have established or strengthened institutional mechanisms to implement and monitor governance frameworks on labour migration		
<b>Criteria for success</b> At least one of the following must be met:		<b>Target</b> 19 member States (5 in Africa, 4 in the Americas, 1 in Arab States, 8 in Asia-Pacific, 1 in Europe-Central Asia)
9.3.1	An institutional mechanism to monitor implementation functions regularly and consults with the social partners.	<b>Means of verification/source of data</b> ILO reports; statistical database on labour migration.
9.3.2	Relevant government institutions deliver inclusive, non-discriminatory services to promote decent work for migrant workers, refugees, or other forcibly displaced persons.	
9.3.3	Employers' and workers' organizations provide new services to their members to promote decent work for migrant workers, or provide support services to migrant workers.	
<b>Baseline</b> 32 member States (12 in Africa, 7 in the Americas, 1 in Arab States, 9 in Asia-Pacific, 3 in Europe-Central Asia)		

## Strategic budget

<b>Outcome 9:</b> Fair and effective international labour migration and mobility	Regular budget 2018–19 (US\$)	Estimated extra-budgetary expenditure 2018–19 (US\$)
	28 447 041	32 300 000



## Outcome 10: Strong and representative employers' and workers' organizations

152. Work under this outcome includes strengthening capacity of employers' and workers' organizations, enhancing their knowledge base, reflecting their perspectives in the pursuit of the other policy outcomes with a view to enabling them to respond effectively to the needs of their constituencies and achieve sustainable development.

### Employers' organizations and business membership organizations

*Outcome statement: Employers' organizations and business membership organizations are independent, more representative and financially sustainable, respond better to the needs of their members and effectively promote policies for a conducive environment for business that enable investment, increase enterprise and job creation and contribute to sustainable development.*

### The challenge to be addressed

153. The private sector is the main engine of economic growth and job creation around the world, but many countries lack a conducive environment for business, which impedes investment, enterprise creation and job growth. As the voice of the private sector, employers' organizations and business membership organizations (BMOs) play a critical role in promoting an enabling business environment, but many of them have significant capacity challenges that prevent them from performing this role more effectively. Moreover, the nature of business representation is evolving, with organizations increasingly addressing economic and environmental issues in addition to their traditional mandate to represent the private sector in social policy and in social dialogue processes.

### Key lessons from previous work

154. Experience shows that only those employers' organizations and BMOs that constantly adapt their structures and services to respond to their members' needs and rapidly changing contexts remain relevant and effective in the long term. Experience also shows that ILO programmes must be based on a comprehensive needs assessment and reflect a specific context. They also require top-level commitment by the relevant organization

to implement agreed plans of action in order to achieve the expected results.

### Expected changes

155. Key expected changes in employers' organizations and BMOs are:

- increased representation and financial sustainability so that these organizations can be the effective voice for the private sector;
- improved governance and management structures and membership management in response to changing policy environments;
- improved mix of high-quality and relevant services that better respond to membership needs;
- strengthened analytical capacity for evidence-based policy advocacy in order to promote a conducive business environment and contribute to national economic and social development; and
- enhanced capacity to provide leadership for the business community on economic, social and environmental issues and to participate effectively in social dialogue.

156. These changes will enable member States to advance towards the attainment of SDG targets 5.5, 8.2, 8.3, 8.5, 9.3, 9.5 and 16.6. The ILO will support countries in monitoring progress towards these targets through the indicators of the Global Indicator Framework under its custodianship 5.5.2 and 8.8.2.

### Means of action and support for constituents

157. The ILO will focus on providing evidence-based and integrated capacity building, advisory services and training, in collaboration with the Turin Centre, on:

- carrying out a comprehensive organizational scan and needs assessment of employers' organizations in order to identify capacity gaps, agree on priorities, define expected results and monitor and evaluate impacts;
- developing easy-to-use global resources and tools on emerging economic, social and environmental issues, and a community of practice of leaders of employers' organizations;

- improving the analysis of members' needs and developing marketing strategies to increase retention and recruitment rates using the membership database management tool produced in collaboration with the Turin Centre;
- assessing the business environment and promoting policy discussions through the ILO's Enabling Environment for Sustainable Enterprise (ESEE) toolkit and assessing the impact of these interventions;
- assessing the evolving nature of business representation and its impact on employers' organizations and BMOs;
- training employers' organizations and BMOs in resource mobilization strategies and results-based management to develop relevant member services; and
- expanding and efficiently managing ILO engagement with private enterprises and promoting enhanced ILO cooperation with enterprises.

**158.** The most significant outputs to be delivered by the Office in the biennium will include:

- institutional capacity building of employer organizations to respond to the needs of their member federations and enterprises and influence policy-making;
- technical support to employer constituents in the various governance and policy-making organs of the Organization;
- policy advice and guidance to reflect the policy priorities of business and employer constituents in all areas of ILO work;
- technical advisory support and input on ILO enterprise engagement through the enterprise entry point and relationship management;
- research with the academic partner network on the evolving nature of business representation.

## Synergies across outcomes and cross-cutting policy drivers

**159.** Building on the interrelated nature of the ILO's strategic objectives, interventions under this outcome will promote synergies across all the other outcomes to reflect employers' knowledge and experience in the different policy areas. In particular, the strategy will draw on and support Outcome 4, based on the 2007 International Labour Conference's conclusions on the promotion of sustainable enterprises.

**160.** Further work will be undertaken to help employers' and BMOs better understand key ILO

Conventions and more effectively participate in processes on their application at the national level. This outcome is also a building block of effective social dialogue in that it strengthens the capacity of the representatives of the private sector to engage in bipartite and tripartite dialogues. In line with the Women at Work Initiative, and building on previous work, advocacy with these organizations will continue to make the business case for promoting gender equality and diversity in the workplace, increasing women's participation in governance structures and supporting women entrepreneurship through an adapted business environment. In light of the growing importance of environmental sustainability in public policy, employers' organizations and BMOs will be helped to take a leadership role in balancing the interests of different industrial sectors and promoting change, building on the policy messages of the joint UNEP–ILO–International Organisation of Employers (IOE)–International Trade Union Confederation (ITUC) Green Jobs Initiative.

## External partnerships

**161.** Partnerships with think tanks, academic and training institutions, private sector foundations and other BMOs will support knowledge and capacity-building approaches on, among other things, the future of business representation and strategies for addressing the fundamental changes taking place in business. Business networks, such as networks of practitioners on corporate social responsibility, business and human rights and supply chains, and on industrial relations, will be used to leverage expertise and knowledge.

## Risk assessment

**162.** The main risks are:

- that significant changes in a country's economic or political context have an impact on efforts to promote a conducive environment for business;
- that changes in an organization's leadership undermine progress made, or reduce commitment to fully implement agreed strategies; and
- that the areas in which employers' organizations and BMOs are expected by their members to engage, expand beyond their organizational capacity.

**163.** In response to these risks, the ILO will continue its ongoing engagement and effective relationship management with employers' organizations and BMOs in order to monitor, identify and correct deviations from agreed strategies as early as possible.

## Indicators

<b>Indicator 10.1:</b> Number of employers' and business membership organizations that have successfully optimized their organizational structures, governance and management practices to increase membership and for financial sustainability		
<b>Criteria for success</b> At least one of the following must be met:  10.1.1 Strategic plans for the organization are endorsed and implemented. 10.1.2 Organizational structures are adapted for improved governance and financial sustainability. 10.1.3 Membership is increased, including as a result of an extension of geographical or sectoral coverage, or an increase in the number of member enterprises.	<b>Target</b> Organizations in 10 member States (2 in Africa, 2 in the Americas, 1 in Arab States, 3 in Asia–Pacific, 2 in Europe–Central Asia)	
	<b>Means of verification/source of data</b> Documented proceedings of the board or equivalent body; other official documents.	
	<b>Baseline</b> Organizations in 28 member States (7 in Africa, 2 in the Americas, 4 in Arab States, 5 in Asia–Pacific, 10 in Europe–Central Asia)	
<b>Indicator 10.2:</b> Number of employers' and business membership organizations that have successfully created, strengthened and delivered services that respond to the needs of existing and potential members		
<b>Criteria for success</b> Both of the following must be met:  10.2.1 A sustainability plan is established and implemented for the improved or new service. 10.2.2 Increased use of the improved or new service by members.	<b>Target</b> Organizations in 18 member States (5 in Africa, 5 in the Americas, 1 in Arab States, 5 in Asia–Pacific, 2 in Europe–Central Asia)	
	<b>Means of verification/source of data</b> Service records; documented business plan for the sustainability of the service; other official documents.	
	<b>Baseline</b> Organizations in 130 member States (49 in Africa, 30 in the Americas, 5 in Arab States, 28 in Asia–Pacific, 18 in Europe–Central Asia)	
<b>Indicator 10.3:</b> Number of employers' and business membership organizations that have successfully enhanced their capacity to analyse the business environment, provide leadership on policy issues and influence policy development		
<b>Criteria for success</b> Both of the following must be met:  10.3.1 The organization formulates advocacy strategies or develops well-researched policy positions or advocacy materials based on membership needs. 10.3.2 The organization engages with government and other key actors, enters into partnerships or launches advocacy campaigns that influence policy in line with members' needs.	<b>Target</b> Organizations in 17 member States (5 in Africa, 4 in the Americas, 1 in Arab States, 5 in Asia–Pacific, 2 in Europe–Central Asia)	
	<b>Means of verification/source of data</b> Official reports and documentation, including strategic partnership agreements and examples of media coverage.	
	<b>Baseline</b> Organizations in 128 member States (46 in Africa, 31 in the Americas, 5 in Arab States, 28 in Asia–Pacific, 18 in Europe–Central Asia)	

## Workers' organizations

*Outcome statement: Increased representativeness and organizational capacity of independent workers' organizations to improve workers' rights, including freedom of association and collective bargaining and to build just and inclusive societies.*

### The challenge to be addressed

164. Workers' organizations play a critical role in upholding workers' rights and building just, inclusive societies, in particular through the exercise of freedom of association and collective bargaining. However, new modes of production have led to increased informalization of employment relationships, non-standard forms of employment and erosion of collective bargaining. These challenges require workers' organizations to offer new ways of organizing and representing workers and to better promote and use international labour standards.

### Key lessons from previous work

165. Workers' organizations that are knowledgeable about international labour standards, ILO supervisory mechanisms and the relevant national jurisprudence are more effective in influencing changes that protect and promote workers' rights, reduce inequalities and improve employment and income security by developing organizing strategies, engaging in collective bargaining and influencing labour law reform.

166. Initiatives which bring together workers' organizations at different levels, for example in the context of regional integration processes, can leverage knowledge and experience, shape national action platforms and increase the effectiveness of these organizations in tripartite consultations and policy-making on social priorities.

### Expected changes

167. Key expected changes are:

- strengthened capacity of workers' organizations to:
  - organize new members and develop well-functioning organizations that respond to their members' needs;
  - influence policy agendas on workers' rights and working conditions; and

- promote and use international labour standards at all levels to uphold workers' rights and promote decent work as a key driver of sustainable development.

168. These changes will enable member States to advance towards the attainment of SDG targets 8.5, 8.8 and 16.7 and 16.10. The ILO will support countries in monitoring progress towards these targets through the indicators of the Global Indicator Framework under its custodianship 8.8.2 and, as involved agency, of 16.10.1

### Means of action and support for constituents

169. The outcome addresses the ILO's constitutional mandate and the 2016 resolution on Advancing Social Justice through Decent Work, which stresses the need to improve the implementation and ratification of international labour standards and promote policy coherence through social dialogue.

170. The ILO will focus on providing workers' organizations with policy advice, technical support and capacity building, including policy forums and public debates, research and training courses that incorporate cooperation with the Turin Centre, information technology (IT) and social media, on:

- involving workers' organizations in the Future of Work Initiative through internal, bipartite and tripartite discussion at the national level and in the regional and global structures of these organizations;
- identifying and developing new ways of organizing and representing workers and to attract, integrate and represent a more diversified workforce in a globalized labour market;
- promoting social dialogue and collective bargaining structures at all levels, including regulatory frameworks, international framework agreements and contractual arrangements based on collective agreements;
- identifying and addressing gaps in the ratification of Conventions and monitoring the application of ratified Conventions; and
- enhancing collaborative action and policy influence through sectoral, national, subregional, regional and international trade union platforms and networks with a focus on five priority areas: employment, income security and skills; labour migration; global supply chains and EPZs; psychosocial risks at work; and a just transition towards environmentally sustainable economies and societies for all.

**171.** The most significant outputs to be delivered by the Office in the biennium will include:

- a global strategy and programme to support workers' organizations' involvement in the Future of Work Initiative, focusing on discussions and strategies to better attract, integrate and represent a diversified workforce, including approaches on reaching out to and build alliances with progressive groups;
- a global strategy and a programme to support workers' organizations in the promotion of international labour standards, with a special focus on freedom of association and collective bargaining (including information, consultation, mediation, arbitration and conciliation) and on the ILO's standards supervisory mechanisms; and
- a global strategy and programme on institution building and policy influence in the five priority areas: employment, income security and skills; labour migration; global supply chains and EPZs; psychosocial risks at work; and a just transition towards environmentally sustainable economies and societies for all.

## Synergies across outcomes and cross-cutting policy drivers

**172.** ILO interventions will promote synergies across all outcomes with an emphasis on ratification and application of the standards on freedom of association and collective bargaining (Outcome 2) and on establishing and strengthening social dialogue structures at the bipartite and tripartite levels in order to drive policy agendas in relation to compliance in global supply chains, migration and unacceptable forms of work (Outcomes 7, 8 and 9).

**173.** Building on the Women at Work Initiative and the stocktaking of the status and conditions of women in the world of work in 2017, organizational and representational activities will address the status and participation of women leaders in workers' organizations. Further work on the theme of discrimination at work on the grounds of sexual orientation and gender identity will be undertaken.

Environmental sustainability will be an important element of workers' engagement in discussions on the future of work, particularly with regard to a just transition towards environmentally sustainable economies.

## External partnerships

**174.** Greater coherence across the multilateral system will be promoted by ensuring respect for international labour standards, stronger governance and greater participation of workers' organizations in inter-agency initiatives, particularly in relation to the 2030 Agenda. Cooperation with regional integration institutions will continue to be strengthened in order to better reflect workers' concerns and expand participation in regional integration processes. Research partnerships with academic institutions and specialized networks will be pursued and collaboration with civil society organizations that share the values of the trade union movement will be explored.

## Risk assessment

**175.** The main risks are:

- that workers' organizations see their ability to attract, retain and provide services to members further limited and undermined by growing structural transformations in the economy, trade union fragmentation, the individualization of employment relations, employers' attitudes towards trade union representation, and management practices during negotiations; and
- that workers' organizations have reduced influence over policy-making following changes in governments' political agendas that disrupt social dialogue.

**176.** In response to these risks, the ILO will sharpen its focus on national trade union platforms and on continued collaboration backed by agreed tripartite decisions and regulations as reflected in the DWCPs, Conference resolutions and international labour standards.



## Indicators

<b>Indicator 10.4:</b> Number of member States in which national workers' organizations have increased their organizational strength at different levels	
<b>Criteria for success</b> At least one of the following must be met:  10.4.1 Workers' organizations provide new services to their members and are organizing new groups of workers and/or expanding the coverage of collective bargaining. 10.4.2 Workers' organizations implement a coordinated gender-responsive strategic plan to strengthen trade union structures at regional or subregional levels.	<b>Target</b> 31 member States (12 in Africa, 6 in the Americas, 6 in Arab States, 7 in Asia–Pacific)  <b>Means of verification/source of data</b> Annual reports of workers' organizations; collective bargaining agreements; official reports and publications; media.  <b>Baseline</b> 60 member States (25 in Africa, 16 in the Americas, 7 in Arab States, 7 in Asia–Pacific, 5 in Europe–Central Asia)
<b>Indicator 10.5:</b> Number of member States in which workers' organizations influence policy agendas at different levels	
<b>Criteria for success</b> At least one of the following must be met:  10.5.1 Workers' organizations present social, economic or environmental policy proposals, including in the context of labour law reforms, which are reflected in national policies and laws. 10.5.2 Workers' organizations submit coordinated social, economic or environmental policy proposals having an influence at the regional or subregional levels. 10.5.3 Workers' organizations submit policy proposals to multilateral frameworks or institutions to influence negotiations on social, economic or environmental issues.	<b>Target</b> 24 member States (10 in Africa, 7 in the Americas, 1 in Arab States, 4 in Asia–Pacific, 2 in Europe–Central Asia)  <b>Means of verification/source of data</b> Annual reports of workers' organizations; national, regional and multilateral policies, laws and regulations; official reports and publications; media.  <b>Baseline</b> 44 member States (18 in Africa, 14 in the Americas, 1 in Arab States, 4 in Asia–Pacific, 7 in Europe–Central Asia)
<b>Indicator 10.6:</b> Number of member States in which workers' organizations use international labour standards to promote freedom of association, collective bargaining and social justice at different levels	
<b>Criteria for success</b> At least one of the following must be met:  10.6.1 Workers' organizations support the use of information, consultation, mediation, arbitration and conciliation mechanisms to settle labour disputes. 10.6.2 Workers' organizations adopt position papers on labour clauses in trade agreements and submit these documents to be considered in the negotiation process. 10.6.3 Workers' organizations submit comments to the ILO regular and special supervisory bodies or take measures to follow up on their observations and recommendations.	<b>Target</b> 23 member States (9 in Africa, 4 in the Americas, 4 in Arab States, 3 in Asia–Pacific, 3 in Europe–Central Asia)  <b>Means of verification/source of data</b> Annual reports of workers' organizations; trade agreements; comments and reports of the Committee of Experts on the Application of Conventions and Recommendations; official reports and publications; media.  <b>Baseline</b> 35 member States (14 in Africa, 10 in the Americas, 4 in Arab States, 3 in Asia–Pacific, 4 in Europe–Central Asia)

## Strategic budget

Outcome 10: Strong and representative employers' and workers' organizations	Regular budget 2018–19 (US\$)	Estimated extra-budgetary expenditure 2018–19 (US\$)
	66 862 246	8 900 000

### Cross-cutting policy drivers

**177.** The four cross-cutting policy drivers – international labour standards, social dialogue, gender equality and non-discrimination, and a just transition to environmental sustainability – are relevant to each of the ten policy outcomes. The first three are fundamental to the ILO's constitutional objectives and the fourth is included because of the imperative of managing a just transition to an environmentally sustainable world of work, including in the context of the 2030 Agenda. Progress in relation to the delivery of these drivers will be monitored, assessed and reported on across all policy outcomes, at the national and global levels. The system of “markers” introduced in 2016–17 to determine the degree of integration of each driver into country programme outcomes will be extended to also cover the fourth driver.

### International labour standards

**178.** The cross-cutting nature of international labour standards is solidly established in the ILO's constitutional texts; standards are both an outcome in their own right and a means of achieving the other policy outcomes. The resolution on Advancing Social Justice through Decent Work reaffirmed the centrality of international labour standards within a coherent and integrated framework encompassing all four dimensions of the Decent Work Agenda. While standards alone do not suffice to improve conditions in practice, their ratification and effective implementation, backed by the ILO's unique supervisory system, provide the normative foundation for the Decent Work Agenda. In this regard, international labour standards are a crucial added value that the ILO brings to the realization of the 2030 Agenda.

**179.** At the global level, the Standards Initiative and SRM guide efforts to enhance the ILO's normative function through a body of standards that meets the contemporary needs of the world of work and a supervisory system that is authoritative and supported by constituents. Analyses of the need for standards relevant to the policy outcomes and their application will feed into the work of the SRM.

**180.** At the country level, work across all outcomes will focus on promoting the ratification of Conventions and improving the application of Conventions and Recommendations by furthering the incorporation of international labour standards into DWCPs, both as a priority objective and as integral elements of all other priorities. Moreover, the follow-up to the SRM will generate synergies and close collaboration across all policy outcomes in order to achieve a successful promotion of up-to-date standards. Finally, partnerships with other UN agencies and relevant non-State actors will be strengthened in order to leverage support for the inclusion of international labour standards in national sustainable development strategies and related UN planning frameworks.

### Social dialogue

**181.** The 2016 resolution on Advancing Social Justice through Decent Work reaffirms that social dialogue and tripartism are essential to the achievement of the ILO's four strategic objectives at the national, regional and global levels.

**182.** Achieving decent work and social justice for all and meeting the transformative goals and commitments of the 2030 Agenda in a sustainable manner requires the active engagement of employers' and workers' representatives with governments in economic and social policy-making. The involvement of government entities other than labour ministries, such as ministries of finance and planning, is necessary to enhance policy coherence. Social dialogue can convey the needs, priorities and solutions of real economy actors and facilitate the adaptation of economies and societies to rapid and far-reaching transformation in the world of work. Freedom of association and effective recognition of the right to collective bargaining are the foundation for effective social dialogue, yet their exercise remains a challenge in many countries.

**183.** ILO support for social dialogue under the policy outcomes will focus on: (i) supporting freedom of association and collective bargaining as both rights and enabling conditions, including through ratification and application of relevant



international labour standards that anchor social dialogue and tripartism in labour market governance; (ii) strengthening labour administrations' and social partners' capacity to design, establish and/or maintain and use effective social dialogue and collective bargaining mechanisms; (iii) strengthening the capacity of social dialogue and collective bargaining institutions to pursue decent work policies through national sustainable development strategies; and (iv) facilitate the effective participation of employers' and workers' organizations in ILO programmes.

**184.** In order to deliver quality evidence-based policy advice to constituents, the ILO will expand its research programme and scale up data collection and analysis on key issues and trends in social dialogue, industrial relations and collective bargaining, including at the cross-border level.

## Gender equality and non-discrimination

**185.** As reaffirmed in the 2016 resolution on Advancing Social Justice through Decent Work, gender equality and non-discrimination is a cross-cutting component of the ILO's strategic objectives. These principles are also key to ensuring that no one is left behind in the implementation of the 2030 Agenda. The ILO's fundamental Conventions and other instruments on gender equality and non-discrimination and its action plans and strategies on gender equality, disability inclusion, fundamental principles and rights at work, people living with HIV and indigenous and tribal peoples, guide the Organization's work in these areas.

**186.** Work during the biennium will leverage partnerships with UN entities and multilateral agencies and institutions and focus on strengthening constituents' capacity to foster the economic and political empowerment and inclusion of groups that are made particularly vulnerable to discrimination especially by the impact of changing and increasingly polarized labour markets and of demographic changes and their impacts on the quantity and quality of jobs. Interventions will promote equality of opportunity and treatment between men and women and address the social, policy, legal and institutional obstacles faced by workers in the informal economy, including indigenous and tribal peoples, workers from different racial or ethnic backgrounds, pregnant women and workers with care responsibilities, lesbian, gay, bisexual and transgender workers and those with disabilities or living with HIV.

**187.** Work on gender equality and non-discrimination will also be channelled through the Women at Work Initiative, which will continue to be the central avenue to explore and give visibility to new and innovative approaches to address persistent obstacles to gender equality, giving impetus to the ILO's work to fulfil its mandate to promote full and lasting gender equality and non-discrimination. The initiative will include a set of outputs that cut across policy outcomes and seek to increase women's access to quality work; to better understand how the work done by women and men – paid and unpaid – is measured and valued and the implications in terms of differences in pay and other working conditions; to extend maternity protection, childcare and other care services to workers in the informal economy; to balance caregiving with employment and income generation; and to prevent and tackle discrimination, violence and harassment at work. These issues will also link to the Future of Work Initiative and will identify and counter deeply embedded discriminatory practices and structural inequality. A comprehensive report exploring the implications of structural changes in the world of work and the way forward for ILO constituents will inform the ILO's future agenda for gender equality.

## Just transition to environmental sustainability

**188.** The cross-cutting policy driver on just transition to environmental sustainability makes an important contribution to implementation of the 2030 Agenda and the concern expressed in the 2016 resolution on Advancing Social Justice through Decent Work with respect to the rapidity of environmental changes and their impact on the world of work.

**189.** Environmental sustainability is a precondition for sustainable development, decent jobs and social justice. Progress towards the SDGs with decent work for all will require societies to move towards sustainable consumption and production patterns and safeguard the natural environment.

**190.** The Green Initiative will build environmental sustainability into all aspects of the ILO's work and drive the strategic direction of that work during the biennium. It responds directly to the important implications of economic growth in the context of demographic change, particularly population growth and urbanization, industrial restructuring and technological transformation.

**191.** Guided by its mandate, the ILO will focus on scaling up research and analysis to inform evidence-based policy advice so that constituents can develop coherent and effective employment and social policies to promote a just transition for all in relation to the implementation of the Paris Agreement on Climate Change. It will leverage and

strengthen partnerships with UN agencies and other institutions in order to improve policy coherence on climate change mitigation and adaptation and access to financing, including through the Green Climate Fund, in the context of decent work.

## An overview of regional contexts

**192.** The following paragraphs provide a brief overview of the ILO programme in each region. They should be read in conjunction with the specific country targets within each region, which are presented in the results tables under each policy outcome.

**193.** Work in each region will be framed within the context of the 2030 Agenda, paying particular attention to country-specific contexts and decent work challenges. The ILO response will be aligned to the policy outcomes and will reflect the country-level demands as expressed, principally, in DWCPs and the conclusions of Regional Meetings. Strengthening the capacity of constituents and the ratification and implementation of international labour standards will be common goals across all regions. There will be a strong focus on support to constituents in implementing national sustainable development strategies, reporting on the SDG global indicators monitoring framework, and enhanced engagement within UNDG mechanisms at regional and country levels.

### Africa

**194.** Africa has experienced relatively strong growth based, in large part, on exports of natural resources. However, this growth has been uneven across the continent and has generally had limited impact on poverty and inequality suggesting that the growth is not inclusive. There is still very high unemployment, in particular among youth, and coverage of social protection remains very low. Most people work in the informal economy which is characterized by significant decent work deficits, including exposure to inadequate and unsafe working conditions, inadequate training opportunities, low wages and long working hours, and little or no social protection. Given poor employment and economic prospects, labour migration is a widespread feature in many countries and takes the form of both intra- and interregional migration. In several countries, political instability, armed conflicts and social unrest continue to hold back social and economic development.

**195.** In line with the conclusions of the 13th African Regional Meeting (2015) and DWCP priorities and in alignment with the African Union Declaration and Plan of Action on Employment, Poverty Eradication and Inclusive Development (Ouagadougou +10) as well as the African Union Agenda 2063, the ILO's work in the biennium will give particular attention to three priority areas: (1) coherent and integrated employment creation that targets youth, women, rural and informal economy workers and promotes entrepreneurship and enterprise development; (2) enhanced social protection based on the Social Protection Floors Recommendation, 2012 (No. 202); and (3) effective labour migration governance for a fair migration, anchored in the ILO's Fair Migration Agenda.

**196.** The overarching capacity-building priority for ILO constituents is to strengthen social dialogue and the application of international labour standards to enable the realization of the goal of decent work in the region. In consultation with constituents, the ILO will help strengthen their institutional capacity to translate SDG 8 and other decent work related targets into national sustainable development plans and programmes. Building on the lessons learned from development cooperation interventions in previous biennia, emphasis will be placed on expanding the portfolio of regional programmes, while ensuring the centrality of Africa in the Centenary Initiatives and relevant global Flagship Programmes, in particular the "Jobs for Peace and Resilience" Programme.

**197.** Leveraging influence and results through partnerships with the African Union, Regional Economic Communities, African Development Bank, bilateral partners and the UN will continue to be pivotal for promoting decent work and knowledge management. In addition, stronger partnerships will be promoted with universities, research institutions and the private sector, while South–South cooperation and public–private partnerships will be strengthened.

**198.** It is expected that DWCPs will be renewed in 11 countries during the biennium. Based on the recommendations of the Country Programme Reviews undertaken, emphasis will be given to more effective national DWCP resourcing and

better integration into national development plans by supporting enhanced collaboration between constituents and ministries responsible for finance and development planning.

## Arab States

**199.** The region is characterized by high unemployment rates, especially among young people, widening levels of inequality and very low labour market participation by women. There are severe decent work deficits across the region. Informal employment and child labour are on the rise. Protracted wars in a number of countries and related humanitarian crises have provoked an unprecedented flow of refugees, with resulting pressure on the scarce resources of host countries, additional competition for employment and the risk of exploitation of vulnerable jobseekers. The countries of the Gulf Cooperation Council (GCC), on the other hand, suffer the consequences of reduced oil revenues and are taking measures to diversify their economies and labour markets. While labour migration continues to be a central issue in the GCC, forced migration and internal displacement have affected conflict countries and neighbouring States. Migrant workers, especially low-skilled workers in the informal economy, are a particularly vulnerable group. The protection of their rights in conditions of decent work will remain a fundamental goal for the ILO's work in the region.

**200.** Consistent with the Bali Declaration adopted at the 16th Asia–Pacific Regional Meeting (2016), the ILO's work will focus on: (1) employment creation, with a particular emphasis on decent work for youth and national employment policies; (2) creation and extension of social protection floors; (3) the promotion of fair and effective labour mobility and migration policies; and (4) the ratification and application of international labour standards, with a focus on fundamental principles and rights at work, and the strengthening of workers' and employers' organizations and of social dialogue. Knowledge exchange and empirical analysis will continue to be an integral part of the capacity-building efforts with constituents. Many of the countries in the region are in need of more robust statistical and research capacities, and the 2030 Agenda serves as an opportunity for the ILO to strengthen the capacity of national statistical services to produce and analyse vital labour market data. More broadly, the ILO will actively pursue regional integration within the UN system to contribute to the full achievement of the SDGs. The Future of Work initiative will provide a platform for much needed national debates on the state of the world of work in the Arab States in the years to come, with a view to the development of coherent and effective labour market strategies.

**201.** In the context of the Syrian crisis and refugee response, the ILO has become a central actor in the area of job creation through Employment-Intensive Investment Programmes (EIIPs), following an increasing recognition of the need for the creation of decent work opportunities for refugees and host communities as a stabilizing factor for peace and development. The large scale EIIPs in Lebanon and Jordan are expected to be expanded and extended to additional countries. Other priority areas in the crisis-affected countries will be the fight against child labour and improved social protection.

**202.** During the course of the biennium, it is expected that up to five DWCPs will be developed or renewed in the region. This will also serve to strengthen efforts towards the realization of the 2030 Agenda and further promote decent work within overall economic and social development processes.

## Asia and the Pacific

**203.** The region faces the challenge of accelerating sustainable and inclusive economic growth and quality job creation, while also tackling rising income inequality and persistent vulnerability. Notwithstanding the decline in poverty across the region, millions of workers still live in extreme poverty. The majority of the working poor are found in the agriculture sector. Forms of work most vulnerable to decent work deficits and informality remain comparatively high and income and social inequalities persist, including between urban and rural areas, migrants and locals, and youth, older workers and other adults. An important common shortfall in the region is weak labour market governance, especially the implementation and enforcement of labour rights and standards. The region has been actively fostering deeper regional integration and this is expected to create more jobs, although it may also contribute to increasing inequalities between participating States. To mitigate this more needs to be done to promote better working conditions and labour standards, including in global supply chains.

**204.** In line with the Bali Declaration adopted at the 16th Asia–Pacific Regional Meeting (2016), the ILO will prioritize work on: (1) the creation of enabling conditions for environmentally sustainable, inclusive, job-rich economic growth; (2) strengthening labour market institutions to reverse widening inequalities and the incidences of low-paid work; (3) improving labour market administration systems to ensure better coordination, reporting, inspection, and dispute resolution mechanisms and strengthening independent and representative organizations of employers and workers; and (4) enhancing

compliance with international labour standards at a time of global integration.

**205.** With regard to the first priority area, the ILO's interventions will focus on data-driven and evidence-based policy analysis to inform balanced labour and employment policy development, including on issues related to the future of work. Capacity building for constituents will include helping them take part in the formulation and implementation of policies for full and productive employment, including skills development, with particular attention paid to youth, women and other groups that face greater barriers in accessing decent work. There will also be renewed focus on creating a more enabling environment for sustainable enterprises, including in SMEs in global supply chains, and capacity building related to setting up and running environmentally responsible businesses.

**206.** Reversing widening inequalities and the incidences of low-paid work require investment in strategies to eliminate unacceptable forms of work, strengthening labour market institutions and mechanisms such as minimum wages, non-discrimination, collective bargaining, and social protection, including floors. Promoting transition from the informal to the formal economy including in the rural economy is an important work area.

**207.** With respect to the third priority area, the ILO will focus on strengthening labour market governance mechanisms to support improved quality of work, and develop robust administrative and judicial systems that can protect independent and representative organizations of workers and employers. Promoting safe work and workplace compliance will receive renewed focus. Work on strengthening labour inspection systems will continue, including building and improving information systems. The ILO will support the social partners' capacity to work systematically with national governments, the secretariats of regional bodies, and operate effectively at regional and subregional levels. Promotion of the ratification and application of international labour standards will be more vigorously pursued through the launch of a campaign and comprehensive capacity building for employers' and workers' organizations.

**208.** The outcome of the 2017 International Labour Conference discussion on decent work in global supply chains, the 2016 Conference resolution on Advancing Social Justice through Decent Work and the Future of Work dialogues in the region will guide the work on international labour standards in the context of regional and global integration (fourth priority area). Fair international labour migration will be promoted through the support for the implementation of ASEAN and SAARC frameworks on the protection of migrant workers, compiling labour migration statistics from across

Asia, advancing the fair recruitment initiative, and developing models for skills recognition, including interregional initiatives.

**209.** DWCPs will be the main framework for delivering the ILO's programme in the region. DWCPs will be designed and implemented in consultation with the social partners, and they will be the basis for placing the Decent Work Agenda in the national 2030 strategies. To strengthen monitoring and reporting, the ILO will support national statistical capacities to report on decent work indicators and the SDGs. It is expected that DWCPs will be renewed in five countries during the biennium.

## Europe and Central Asia

**210.** The region is extremely diverse with a complex and rapidly changing geopolitical and economic context. A number of countries are still struggling to balance austerity with stimulus measures so as to influence aggregate demand and foster economic growth and employment. Demographic developments – including a declining youth population, an ageing population and an increase in the number of migrants and refugees – create additional challenges for employment and social protection policies. Although some countries have experienced modest economic growth, the gains from this growth have usually been unequally distributed. Most member States continue to struggle with the challenge of high youth unemployment, while continuing to witness a rise in informality, undeclared work and non-standard forms of employment. Although all member States in the region have ratified all eight ILO fundamental Conventions, their effective application and implementation remain a challenge. Closely related to this challenge is the need to strengthen workplace compliance through more effective labour market governance, built on strong labour inspection systems, tripartism, and social dialogue.

**211.** The ILO's support to member States during the biennium will be a combination of short, mid- and longer-term technical assistance responding to key priorities as identified by constituents and defined by national policy frameworks. Work will be pursued within the framework of the Social Justice Declaration, building upon achievements in the implementation of the Oslo Declaration of the Ninth European Regional Meeting as well as the outcomes of the national dialogues undertaken under the Future of Work Initiative, in which more than 40 of the 51 member States in the region and the European Union institutions had engaged by the end of 2016.

**212.** Subject to the outcome of the Tenth European Regional Meeting (2017), the ILO will focus on: (1) promoting more and better jobs for inclusive



growth, in particular to improve youth employment prospects and to support the access of migrants and refugees to the labour market; (2) promoting an enabling environment for sustainable enterprises and strengthening institutional capacities to implement active labour market policies; (3) strengthening labour administrations to improve workplace compliance, protect workers from unacceptable forms of work, including through labour inspection and better occupational safety and health compliance; and (4) creating, reforming and extending social protection floors by ensuring their coverage and financial sustainability. The promotion of international labour standards, tripartism and social dialogue will be driving forces in implementing these priorities.

**213.** Strategic partnerships with the UN and other international development partners will be vigorously pursued to leverage support for pushing critical elements of the Decent Work Agenda forward and advancing the implementation of the 2030 Agenda at national, subregional and regional levels. To that end, the ILO will continue to lead various UN issue-based coalitions in the region, in particular with regard to the implementation of the social protection floors, SDG 8 and Alliance 8.7 on forced labour. Work will be prioritized to strengthen the capacity of statistical systems to collect and produce data so as to inform evidence-based decent work policies and report on progress towards decent work and the related goals of the 2030 Agenda.

**214.** DWCPs will continue to be the key mechanism to position the ILO in UNDAFs or equivalent planning frameworks at the country level and the main vehicle for contributing to the achievement of the SDGs. It is expected that at least four DWCPs will be renewed in the biennium. The relevance and influence of DWCPs will be pursued through measures such as the further development of strategic planning exercises with national tripartite constituents; improved governance, monitoring and reporting mechanisms; enhanced interaction with country-level UN and United Nations country teams planning exercises.

## Latin America and the Caribbean

**215.** After several years of economic deceleration and of political and institutional instability, most countries in Latin America and the Caribbean are expected to be on a better growth path during the biennium. However, the region continues to be challenged by persistently high levels of inequality and informality, low productivity levels and lack of productive diversification, resulting, among other factors, from the predominance of micro-enterprises and self-employment and shortfalls in

the quality of education and vocational training. The slowdown in the growth of real wages caused by economic deceleration might impair continued progress on poverty reduction and inequality, and is likely to result in the need to strengthen social protection systems to sustain living standards of workers.

**216.** Building on the strategy implemented in 2016–17, and subject to the outcome of the 19th American Regional Meeting, scheduled to take place in 2018, the ILO's work in the biennium will focus on three priority areas: (1) productive development policies for inclusive growth with more and better jobs, in line with SDG 8 of the 2030 Agenda; (2) promotion of formalization; and (3) respect of, and compliance with, international labour standards.

**217.** Regarding the first priority area, capacity building efforts, policy advice and development cooperation projects will be based on a better identification of what works and what can be scaled up in terms of policy interventions and tools, and improving policy-making processes through social dialogue in three major areas: (1) the promotion of sustainable enterprises; (2) skills development and improvement of vocational training systems, with a special focus on youth; and (3) strengthening of institutions, coordination and governance mechanisms for productive development policies, including those to better integrate decent work into global supply chains and cluster development policies.

**218.** The ILO's Regional Programme to Promote Formalization in Latin America and the Caribbean (FORLAC) will continue to focus on the knowledge base to support formalization, based on the Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204) and its plan of action. A strong emphasis will be placed on work to extend social protection and provide assistance to specific groups of vulnerable workers, in particular independent, domestic, migrant and rural workers, through integrated strategies at the country level. Work will also be intensified to strengthen national statistical capacities to report on the SDG indicator framework, especially with regard to the proportion of informal employment in non-agriculture employment (SDG indicator 8.3.1).

**219.** The ILO will support constituents to promote the fundamental principles and rights at work, especially freedom of association and collective bargaining, while strengthening labour inspection and innovative mechanisms for conflict prevention and resolution. It will also engage in actions to develop a stronger culture of social dialogue based on stronger workers' and employers' organizations. The consolidation of the Initiative for Latin America and the Caribbean Free of Child Labour in the

framework of Alliance 8.7, increased attention to indigenous populations and integrated approaches to address labour migration will also be key elements of this priority area.

**220.** Work in these priority areas will support delivery of DWCPs and inform the ILO's partnership and resource mobilization strategies, which will build on South–South cooperation and local alliances. It will also be the basis for the ILO's

participation in the United Nations Development Group–Latin America and the Caribbean (UNDG–LAC) and the UN country teams, and its support to constituents for the implementation of national sustainable development plans. It is expected that at least six new DWCPs will be developed during the biennium. The ILO will deliver intensive training on results-based management to constituents and staff to strengthen the quality and relevance of DWCPs.

## Research, statistics and capacity development

### Research and statistics

#### □ Overarching strategies

**221.** The ILO research and statistics strategy aims to generate knowledge and information in order to address current and future challenges in the world of work. This knowledge and information will guide the ILO's policy advice at the global, regional and national levels, including within the multilateral system.

**222.** The 2016 resolution on Advancing Social Justice through Decent Work reaffirmed the importance of undertaking policy-oriented and evidence-based research. The resolution also emphasized that the production and use of reliable and comprehensive statistics play an important role in achieving the ILO's strategic objectives.

**223.** All policy outcomes emphasize the strategic importance of research and statistics. Enabling Outcome A on effective knowledge management for the promotion of decent work will help ensure that the ILO produces and disseminates high-quality, timely and relevant research and statistics that underpin its policy recommendations so that member States and constituents have the knowledge tools to advance the Decent Work Agenda.

**224.** Special efforts will be made to strengthen the technical linkages between the Research Department, technical departments at headquarters and the ILO field offices, particularly through the Global Technical Team for Research. The team will continue to foster joint collaboration on key research areas.

**225.** The Research Department will continue to benefit from the Research Review Group which provides insight and guidance from multi-disciplinary perspectives and evaluates the strength of the evidence and methodologies of the research work.

**226.** The Department of Statistics will focus on consolidating the ILO database of labour statistics – ILOSTAT – as the main repository on decent work statistics in the world. The scope of the data will be expanded and made available in a timely manner, using internationally comparable indicators, based on national official reporting and through indirect methods to provide sound regional and global estimates. It will also increase the harmonization of methodologies used across the Office to ensure that data meets the quality framework of the Fundamental Principles of Official Statistics approved by the UN General Assembly.

#### □ Priority areas

**227.** While each policy outcome will generate thematic research and data collection, the ILO will focus on two priority areas – the Future of Work and the SDGs – because of their central importance to the ILO's overall mandate and direction.

##### *Future of work*

**228.** ILO research on the Future of Work will be organized according to the four “centenary conversations”: (a) work and society; (b) decent jobs for all; (c) the organization of work and production; and (d) the governance of work. Special attention will be given to “the challenges and opportunities associated with trends and drivers transforming the world of work”, as called for in the 2016 resolution on Achieving Social Justice through Decent Work. In 2019 the ILO will publish the report of the High-Level Global Commission on the Future of Work that will contribute to shaping the ILO's agenda over the medium- and long-term.

**229.** The ILO will also work closely with the International Conference of Labour Statisticians in 2018 to support the Future of Work Initiative by revising the International Classification on the Status of Employment.



## Sustainable Development Goals

**230.** Comprehensive and integrated research will be undertaken to support the SDGs, with a particular focus on SDG 8 (decent work and economic growth). This builds upon the ILO's research which emphasizes policy evaluation and "what works" to develop enabling policies for decent work in the areas of macroeconomics, employment and labour markets, income distribution, social protection, sustainable enterprises, rights at work, working conditions and social dialogue. It will also contribute to the ILO's increasingly strong policy advocacy in global and national policy debates.

**231.** Given the critical importance of strengthening constituents' capacities to monitor progress made on SDGs related to decent work, ILOSTAT will be expanded to include data on all SDG global indicators under the ILO's responsibility. The ILO will also work to strengthen member States' statistical capabilities and their labour market information systems in order to reach targets in Goal 17 of the 2030 Agenda.

**232.** This will in turn require strengthening the ILO's internal capacities to collect the relevant data from countries and to support constituents in producing the relevant indicators at the national, regional and global levels.

## □ Flagship reports and the *International Labour Review*

**233.** The *World Employment and Social Outlook* (WESO) report will continue as an ILO flagship report. The thematic report, published ahead of the International Labour Conference, will address emerging research and policy issues of major global significance. The *Trends* edition of the WESO will be published each January and will identify trends in, and make projections about, the labour market and social indicators, with special editions produced throughout the biennium focusing on certain groups, e.g. youth and women. Think pieces and research briefs will be released in a timely manner throughout the biennium in order to highlight key areas of enabling policies of decent work.

**234.** The other flagship reports – the *Global Wage Report 2018/19* and *World Social Protection Report 2018* – will also place a strong focus on addressing the two priority areas.

**235.** The *International Labour Review* will continue to provide a crucial link with the academic community and stimulate new ideas and innovative policy solutions. The *Review* will also give greater attention to the priority areas, especially encouraging contributions to the Future of Work Initiative.

## □ Partnerships

**236.** The ILO will continue to deepen its advocacy and influence in global policy discussions, guided by high-quality policy-oriented research and reliable statistics, in forums such as the G20 and the BRICS group of countries. Strategic partnerships with other international institutions, particularly the World Bank, IMF and OECD, which have already resulted in greater attention to the importance of inclusive economic growth and decent work, will be strengthened and broadened. Close collaboration with the Turin Centre will continue, notably with regard to capacity building of constituents.

## Capacity development in partnership with the Turin Centre

**237.** The ILO will continue to strengthen the key role of the International Training Centre in Turin in capacity development. To that end, the Centre will adapt its training programmes to the strategic orientations defined in the ILO's Strategic Plan for 2018–21 and the outcomes set out in the Programme and Budget for 2018–19. For each outcome, the comparative advantage of the Centre as a global knowledge hub will be combined with local expertise through collaboration with regional and national service providers.

**238.** The Centre will further refine its training portfolio to meet different learning needs arising from varying national circumstances. This process will involve the roll-out of integrated and IT-enhanced learning approaches, as well as adding language capacity and thematic expertise at the Centre.

**239.** A special focus will be laid on the establishment of an in-house innovation function to accelerate the pace of learning in the ILO under the umbrella of the Future of Work Initiative. Through this innovation function, the Centre will deliver knowledge management support services and training activities linked to the thematic priorities of this initiative. Special efforts will also be made to strengthen the capacity of ILO constituents and staff in the key areas of the 2030 Agenda. This will include support for the implementation of the Agenda and the SDGs most relevant to the ILO's mandate. Support will also be targeted towards building technical and statistical capacities, as well as capacities to monitor and report on progress based on the SDG indicators under the ILO's responsibility. In this process, particular attention will be paid to how national DWCPs can be leveraged as a key vehicle for the implementation of the 2030 Agenda.

**240.** The services of the Centre will comprise:

- facilitation of learning events, including symposia, conferences, workshops and retreats;
- implementation of training courses, including face-to-face training, distance learning and blended training activities;
- advisory services on training strategy development and training programme design;
- knowledge management support, including development and operation of online resource platforms and digital libraries.

**241.** The Centre will put further emphasis on the design of multi-step “learning journeys” for both ILO staff and constituents, combining learning events, training and knowledge management support. It will foster closer collaboration with ILO development cooperation projects starting from the project design stage, in order to imbed these multi-step learning journeys into project intervention strategies and to implement training activities with local partners thereafter.

## Enabling outcomes

**242.** The three enabling outcomes enable or facilitate the efficient and effective functioning of the ILO in accordance with its Constitution, rules and procedures. Each outcome comprises a strategy text and corresponding performance indicators and targets for the biennium. The enabling outcomes provide the conditions for the delivery of the ten policy outcomes by providing the necessary support services.

**243.** The effective knowledge management for the promotion of decent work (Outcome A) addresses the essential conditions that underpin the levels of excellence which the ILO must attain in its analytical and technical work if it is to deliver on its

mandate. The strategy outlines the approach taken towards making the ILO a better creator, compiler, broker and disseminator of research findings, statistics and information on decent work.

**244.** Human and financial resources, information technology and facilities are covered (Outcome C) and also the effective and efficient governance of the ILO, with respect to the governing organs and to oversight (Outcome B), which includes the ILO's risk register for 2018–19. These two outcomes are central and give effect to the ILO's reform agenda and continuing commitment to improvement and to the most efficient and effective use of all resources available to the Organization.

### Outcomes to be achieved in 2018–19

#### Outcome A: Effective knowledge management for the promotion of decent work

*Outcome statement: The ILO is an authoritative source of knowledge on world of work issues, including research and statistics that constituents and partners apply in order to promote decent work as a key element of sustainable development.*

#### The issue to be addressed

**245.** Work under this outcome underpins the delivery of knowledge products, policy advice and programmes under the ten policy outcomes so that constituents can engage in evidence-based policy-making and dialogue pursuant to the Social Justice Declaration, the SDGs and the Future of Work Initiative. Furthermore, it will support member States to develop stronger labour statistics and analytical capacities and constituents' participation in national sustainable development planning and reporting processes. Areas for progress include: (1) developing policy-oriented research; (2) increasing the capacity of member States to produce, use and disseminate labour statistics, including by developing labour market information systems and analyses; and (3) engaging in

targeted advocacy, communication and constituents' capacity development.

#### Key lessons from previous work

**246.** While reform of the Office's knowledge function in recent years has enhanced the consistency, coherence and quality of its evidence-based research and policy analysis on what works, the ILO needs to further promote a culture of cooperation and knowledge sharing and a virtuous circle between its global knowledge products and constituents' capacity to generate data and cross-cutting analyses that will inform decent work policies at the national and regional levels.

**247.** ILO advocacy for decent work is more effective and sustainable when it combines robust knowledge on policies that work and strategic engagement with key partners at the national, regional and global levels, including across the UN and the multilateral system. Institutional partnerships, collaborative mechanisms and knowledge exchanges with constituents, other international organizations and external stakeholders have helped to improve the

understanding of decent work while strengthening the analytical basis of the ILO research agenda. These efforts must be pursued to ensure that the ILO's evidence-based policy recommendations on what works reach national opinion leaders and policy-makers in relevant ministries and translate into coherent, coordinated sustainable development policies at the country level.

**248.** Significant progress has been made by member States in measuring decent work. However, important gaps in some dimensions of decent work and in regions still remain. Results from recent refinements to methodologies tested by the Office show that it would be possible to fill these gaps more effectively than before. This becomes particularly relevant in relation to reporting progress on the SDGs.

## Expected changes

**249.** Key expected changes are:

- enhanced ILO capacity to produce, use, compile, disseminate and broker knowledge on the world of work and its challenges, including in the context of decent work indicators;
- enhanced member States' capacity to develop labour market statistical systems and to improve research capacity covering the four dimensions of decent work, as well as gender equality and non-discrimination, in order to measure progress towards decent work and report on the SDG indicator framework using current international statistical standards; and
- effective policy and operational partnerships with the UN system, regional institutions, multilateral forums, donors and the private sector on decent work policies in order to increase the impact of the Decent Work Agenda.

## Means of action

**250.** The ILO will focus on:

- producing and disseminating timely policy evaluations and research that provide advice at the national, regional and global levels, including on good practices and key areas of the 2030 Agenda and the Future of Work Initiative, in order to help constituents pursue the aims of the Social Justice Declaration;
- deepening the ILO's involvement with universities and think tanks in order to expand global expertise on ways of achieving decent work and addressing the challenges of the future of work;

- communicating evidence-based, influential messages on world of work issues, challenges and changes, and targeting audiences using appropriate channels and platforms;
- providing policy advice, evaluation and technical assistance to strengthen member States' capacity to produce statistics on decent work and labour market information systems to develop evidenced-based decent work policies and collect data in order to report on progress towards decent work and the related goals of the 2030 Agenda at the national, regional and global levels, thus contributing to target 17.18 of the 2030 Agenda on availability of data;
- using its knowledge products strategically in order to strengthen its advocacy at global and regional forums in pursuit of Goal 8 and other decent work-related Goals of the 2030 Agenda, as well as the objectives of the Future of Work Initiative; and
- delivering effective capacity development and training in collaboration with the Turin Centre to disseminate ILO knowledge products to constituents and enhance their advocacy skills with a view to their participation in national sustainable development strategies and related UNDAFs or equivalent planning frameworks.

## Most significant outputs

**251.** The most significant outputs to be delivered by the Office in the biennium will include:

- authoritative global flagship reports, publications and briefs highlighting the role of decent work are available to meet the needs of the constituents at the global, regional and country level;
- workshops and seminar package roll-out for mainstreaming decent work in national and regional planning processes;
- establishment of a knowledge platform on the future of work, including technical research notes and servicing the High-Level Global Commission on the Future of Work;
- organization of the 20th International Conference of Labour Statisticians in October 2018 that will aim to adopt a resolution on the revised International Classification of Status in Employment and discuss other statistical standards;
- ILOSTAT is enlarged and consolidated including all SDG indicators with ILO custodianship to allow annual global reporting;

- high-quality, timely communication products that promote ILO research, data and policy analysis in support of ILO advocacy goals that are targeted to key audiences through the most effective channels;
- knowledge-sharing practices and supporting tools, such as an improved gateway, strengthen knowledge management understanding and practice in the Organization and improve content coherence and capacity building of constituents and staff (with the Turin Centre).

## External partnerships

**252.** The ILO will continue to deepen its advocacy work across the UN and in forums such as the G20 and BRICS and to pursue strategic partnerships with other international institutions, including the World Bank, the IMF, the OECD and regional economic and financial institutions. The ILO will strengthen its collaboration with the UN Statistical Commission of the Economic and Social Council, the Committee for the Coordination of Statistical Activities, the Global Partnership for Sustainable Development Data and National Statistical Offices to promote and support production of Decent Work data worldwide.

## Indicators

<b>Indicator A1:</b> Timely production of the ILO's knowledge products with high-quality standards		
<b>Criteria for success</b>	<b>Target</b>	<b>Baseline</b>
Reportable results must meet the following:		
Timely production and dissemination of authoritative knowledge products on world of work issues.	<ul style="list-style-type: none"> <li>■ 100 per cent of knowledge products for the Future of Work High-Level Commission delivered on time and to the satisfaction of the Commission's members.</li> <li>■ All flagship and major reports are produced on time following a peer review process and standing publishing guidelines.</li> </ul>	n/a  <ul style="list-style-type: none"> <li>■ Flagship reports, eight major reports</li> </ul>
Widespread reference to ILO knowledge products.	<ul style="list-style-type: none"> <li>■ All flagship reports appear in at least ten top national, regional and international media.</li> <li>■ ILO reports are cited by multilateral agencies and international forums, think-tanks, international civil society organizations and academia.</li> <li>■ ILO messages, research and data are used by tripartite constituents and other development partners, including civil society, and local governments, for their advocacy campaigns on SDGs and decent work.</li> </ul>	<ul style="list-style-type: none"> <li>■ One major news outlet per region, one international news outlet</li> <li>■ 2016 (methodology to be developed)</li> <li>■ One major advocacy campaign per region</li> </ul>
Accessibility of internationally comparable decent work-related data.	<ul style="list-style-type: none"> <li>■ Statistical data production by different organizational units meeting quality standards is coordinated and consolidated within the Office.</li> <li>■ Statistical frameworks for emerging and new topics, including SDG indicators, developed in consultation with constituents.</li> </ul>	<ul style="list-style-type: none"> <li>■ Data production by different organizational units is not always coordinated</li> <li>■ Lack of statistical standards for new and emerging topics</li> </ul>

<b>Indicator A2:</b> Member States strengthen labour market statistics and information systems using international statistical standards and report on SDG Global Indicator Framework		
<b>Criteria for success</b>	<b>Target</b>	<b>Baseline</b>
Reportable results must meet the following:		
National labour market statistics, standards, and information systems are strengthened through improved statistical surveys and use of other statistical sources.	20 member States	96 member States are not able to produce basic labour market statistics (based on 2014–15 data)
National sustainable development strategies utilize the latest ILO research, statistics and analysis and are developed with the participation of ILO constituents.	15 member States	0 (2016)
National data collected and reported for at least half of the Tier I and II indicators for which the ILO is custodian in the Global Indicator Framework of the SDGs.	20 member States	73 member States (based on 2014–15 data)
Relevant national indicators for monitoring and reporting on decent work-related SDGs are produced with ILO advice and support.	10 member States	0 (Indicator framework is country-specific and is being developed and decided by each country)
<b>Indicator A3:</b> ILO constituents, multilateral and regional organizations and development partners advocate effectively and in a coordinated approach for the inclusion of decent work issues in national sustainable development plans and programmes and internationally agreed outcomes at the global and regional level.		
<b>Criteria for success</b>	<b>Target</b>	<b>Baseline</b>
Reportable results must meet the following:		
UNDAFs or equivalent planning frameworks incorporate at least two pillars of the Decent Work Agenda.	90 per cent	Percentage of UNDAFs or equivalent planning frameworks developed in 2016–17 that incorporate at least two pillars of the Decent Work Agenda
Multi-stakeholder partnerships, including South–South and triangular partnerships, for the implementation of the Sustainable Development Goals advocate for decent work.	10 per cent increase	Number of new multi-stakeholder partnerships for the implementation of the SDGs developed in 2016–17
ILO constituents and development partners enabled to participate in national multi-stakeholder processes for implementation of the SDGs through ILO capacity building or other support.	10 per cent increase	Number of countries in which constituents participate in national SDG processes in 2016–17
ILO constituents advocate for decent work policies through inclusion of decent work in outcome documents, declarations and resolutions of multilateral and regional bodies.	5 per cent increase	Number of outcome documents, declarations and resolutions adopted in 2016–17 that promote decent work



## Outcome B: Effective and efficient governance of the Organization

*Outcome statement: The ILO functions effectively and efficiently in accordance with its Constitution, rules and regulations and with the decisions of its governing organs.*

to inform decision-making by ILO governance organs and management of programme implementation.

### The issue to be addressed

253. This outcome aims to ensure the optimal functioning of the ILO's governing organs and governance functions, effective monitoring and oversight of the Office's resources, accountability for its programme and budget and improved delivery of services to constituents.

### Key lessons from previous work

254. Reform of the Governing Body and the International Labour Conference and the latter's evaluation of the impact of the Social Justice Declaration in 2016 have yielded important benefits, including the timely delivery of concise, high-quality documents and effective meeting preparation and management, that are essential to cost efficiency and effective governance. There has been encouraging progress in the prompt implementation of recommendations made by the oversight bodies although additional efforts are needed to improve follow-up, and further embed an evaluation culture into organizational learning.

### Expected changes

255. Wide and active engagement of constituents in the Organization's decision-making and priority setting processes is critical for achieving this outcome.

256. Key expected changes are:

- improved functioning of the main governance organs through consolidation of the reform process and enhanced efficiency of the Office's support functions;
- continued enhancement of oversight in order to help senior managers to identify areas for improvement and resource allocation;
- increased maturity of the ILO's risk management culture and improved application of its risk management framework; and
- wider use of evaluation across the Office and greater focus on the use of evaluation findings

### Means of action

#### □ Governance organs

257. The Office will continue to support implementation of the Governance Initiative with a focus on the role and functioning of the Regional Meetings, implementation of the 2016 resolution on Advancing Social Justice through Decent Work and enhancing efficiencies. It will continue to support tripartite engagement in agenda setting for ILO official meetings; to implement its document production policy in order to provide high-quality, concise documents in a timely manner; and to reinforce the paper-smart model.

258. The Office will also continue to provide high-quality, timely legal and financial services in order to ensure that decision-making and business operations are consistent with the Constitution and applicable rules and regulations. The focus will be on streamlining the rules of procedure of the governance organs and meetings, strengthening the internal rules on transparency and accountability and promoting ratification of the UN Convention on the Privileges and Immunities of the Specialized Agencies.

#### □ Oversight

259. The Office will continue to implement the recommendations from oversight bodies, promptly and in light of available resources. Having fully implemented the International Public Sector Accounting Standards (IPSAS) in previous years, it will focus on monitoring developments and adapting to new and modified standards as and when they are promulgated. Internal procedures will continue to be monitored and adapted to optimize efficiency and ensure full accountability for resources.

260. The Office will continue to manage risks based on the Organization's 2018–19 strategic risk register (see table 3) and will develop an IT-based risk management database to help managers to maintain their unit-level risk registers.

Table 3. Risk register for 2018–19

Risk	Identified root cause(s)	Remedial action	Risk owner
1. <b>Constituents and donors reduce their commitment to the Decent Work Agenda and programme and project funding</b>	The ILO fails to align its technical capacity, resources, processes and technology to strategic priorities. Resource mobilization is not focused on areas in which delivery of relevance, impact and sustainability are achievable. Progress in programme and project delivery is inadequately planned, measured and reported. Donor reviews reveal unmet expectations.	Project planning, design and appraisal processes and procedures are reinforced. Resources are focused on priorities identified through the Strategic Plan, programme and budget, DWCPs and outcome-based workplans and on robust and relevant policy-oriented programmes with appropriate critical mass to achieve high impact. Monitoring, evaluation and reporting are strengthened.	Director-General Deputy Directors-General
2. <b>The delivery of key development cooperation (DC) programmes and projects is disrupted, jeopardizing the ILO's reputation and future DC funding</b>	Coordination between ILO headquarters and external offices at the time of programme or project design and appraisal is ineffective. Critical institutional, contextual, operational and programmatic risks are not adequately identified and addressed in the design process.	Programme and project appraisals ensure compliance with the ILO Enterprise Risk Management Framework to ensure key risks are identified and properly considered before a decision is taken to accept a project proposal. Roles, authorities and accountabilities are clarified and reinforced with regard to the alignment of programme and project commitments to mandate and capacity. Implementation monitoring procedures ensure appropriate levels of coordination.	Deputy Director-General for Field Operations and Partnerships, Deputy Director-General for Policy
3. <b>A crisis event negatively impacts the running of key activities or business continuity</b>	Increased engagement in locations exposed to political violence. The effects of a terrorist attack, a natural disaster or a major health- or security-related event are not adequately addressed in business continuity plans at ILO headquarters and external offices. Lessons learned from earlier occurrence of crisis events are not shared and integrated into business continuity planning. Crisis management is ineffective. Security on ILO premises and security during travel or at an off-site project location is not commensurate with exposure to risk.	The Risk Management Framework provides mechanisms to escalate risk considerations prior to engagement. ILO headquarters and external offices prepare and maintain Organizational Resilience Management (ORM) plans. Crisis management teams are established at ILO headquarters and regional offices and regular ORM maintenance, exercise and review is carried out. Security guidance and training is enhanced.	Deputy Directors-General and Regional Directors
4. <b>The financial obligations of one or more member States or donors are not met. As a result, the ILO experiences a shortfall in funding and must discontinue activities</b>	Member States' own budgetary constraints lead to delays in paying assessed contributions. Decline in member States' and/or donors' commitment to the ILO's Decent Work Agenda.	Cash flow is regularly monitored. The ILO temporarily draws on the Working Capital Fund. Low-priority programmes, projects and activities are identified and deferred or cancelled. Guidance is sought from the Governing Body as required.	Treasurer and Financial Comptroller, and Senior Management Team
5. <b>A main banking partner of the ILO goes into receivership. As a result, the ILO experiences financial loss, operational disruption and reputational weakening</b>	The ILO's system of internal control aimed at monitoring banking partners' solvency or vulnerability to fraud is not aligned to the full spectrum of the bank's exposures.	Strict bank selection protocols are in place and take into account credit ratings, debt swap arrangements, diversification of counterparties and duration of investments. Independent industry professionals review and endorse investment strategies and counterparty selection.	Treasurer and Financial Comptroller

<b>Risk</b>	<b>Identified root cause(s)</b>	<b>Remedial action</b>	<b>Risk owner</b>
<b>6. Unforeseen economic factors decrease the capacity of the ILO's regular budget. As a result, resources are insufficient to ensure full delivery of the ILO's budgeted programme of work</b>	Global financial turbulence leads to unforeseen exchange rate fluctuations and inflation.	US dollar requirements for the biennium provide the basis for forward purchase contracts that ensure Swiss francs are converted to US dollars at the budgeted exchange rate. Currency held by the ILO is monitored to limit exposure to exchange risk. Inflation forecasts from independent reputable sources are incorporated into the programme and budget process. Guidance is sought from the Governing Body as required.	Treasurer and Financial Comptroller
<b>7. A conflict of interest or an act of fraud results in significant financial loss to the ILO and damage to the ILO's reputation</b>	Due diligence policies and practices aimed at averting conflicts of interest and limiting opportunity to commit fraud, as well as systems of internal control aimed at detecting fraud, are not sufficiently robust.	Ethics and zero-tolerance policies and practices are effectively functioning both at headquarters and field locations. Managers are trained in due diligence and prevention. Whistle-blower protection is ensured. Internal control mechanisms ensure segregation of duties or other mitigating controls are established. Disbursement rules and procedures for the financial monitoring of implementing agents are in place. A dedicated professional investigation unit exists within the Office of Internal Audit and Oversight.	Treasurer and Financial Comptroller
<b>8. Centralized IT solutions are considered unfit for purpose. Unmonitored decentralized IT solutions proliferate, placing critical data at risk of corruption, breach of confidentiality, or duplication of solutions</b>	Heavily customized ILO systems preclude regular incorporation of advances in technology. Resource constraints prevent extensions of IT scope to accommodate integration, updating and maintenance of unit-specific solutions.	IT governance ensures that decentralized, stand-alone solutions are inventoried and prioritized, and that critical unit-specific IT needs are supported. The IT strategy, planning and budget are regularly reviewed and adjusted accordingly.	Deputy Director-General for Management and Reform
<b>9. Damage to the ILO data centre or to other IT infrastructure, or power failure, results in a loss of critical information and of access to essential applications</b>	Safety and security measures do not effectively protect the ILO data against overheating and fire, flood, power interruption, motion and collapse or intrusion. Critical cabling is damaged during maintenance or renovation work.	Off-site live data replication and critical application hosting is implemented and disaster recovery procedures are in place. Data centre structure and perimeter are reinforced, air conditioning is upgraded, alarm and detection systems and a redundant power system are installed. Data centre access is restricted and controlled. The ILO headquarters renovation work risk register addresses risk of damage to critical cabling.	Deputy Director-General for Management and Reform

Risk	Identified root cause(s)	Remedial action	Risk owner
<b>10. Human resource capacity is insufficient to fulfil the core mandate of the ILO and to meet specific objectives set by its constituents. As a result, the ILO's reputation is weakened and programme and project funding jeopardized</b>	Policies and practices in respect of workforce planning, recruitment and selection, performance management and staff development are inadequate.	The Employee Profile tool is implemented. Workforce planning, in particular succession planning, is improved and systematic. Recruitment and selection procedures are adjusted. Revised contracts and staff mobility policies are implemented. Staff development is focused on core competency requirements and is promoted. Compliance with performance management procedures is strengthened.	Director, Human Resources Development Department
<b>11. Communication is not fit for purpose. The ILO's status as an agency of reference in relation to its mandate is jeopardized</b>	Communication in relation to the ILO mandate and positioning lack focus and coordination. A narrow view of communication leads to a lack of, or limited impact on, all key stakeholders. Advocacy and communication inadequately emphasize delivery of key programmes and projects. Local communication needs are inadequately supported. Communication in relation to critical events is insufficiently reactive.	A communication strategy is developed aimed at strengthening the ILO's institutional visibility and at promoting the ILO's technical capacity to deliver relevance, impact and sustainability. The strategy incorporates local communication needs and leverages local press and social media coverage, and targets all key stakeholders. Processes are put in place to monitor implementation of strategy and provide feedback to revise accordingly.	Deputy Director-General for Management and Reform; Director of Department of Communication and Public Information
<b>12. Delays and disruption in the ILO headquarters building renovation results in cost overruns, operational disruption and reputational damage to the ILO</b>	The scope and complexity of the renovation work is not fully represented to contractors or in contracts. Contractors default on contractual obligations relative to work or deadlines. A safety or security-related event prevents access to the headquarters building. Weather-related events prevent execution of work. Project management is disrupted by key position vacancy or long-term absence.	A comprehensive risk register is maintained and risk management is monitored. An effective project management and governance structure is in place and functioning effectively, including regular internal audits, ensuring early warnings of problems are detected and addressed in a timely manner. Requests for proposals and contract wordings undergo external expert review for accuracy and completeness, and incorporate penalty provisions. Contractors are required to allow on-site visits for diagnosis purposes. An occupational safety and health officer is recruited. A renovation-specific safety and security risk register is prepared and mitigation strategies are implemented. Weather conditions are taken into consideration in planning work. A business continuity plan is in place. The ILO's crisis management preparedness incorporates crisis management related to the renovation.	Deputy Director-General for Management and Reform

Risk	Identified root cause(s)	Remedial action	Risk owner
<b>13. The ILO Conference or Governing Body is unable to deliver certain statutory functions, disrupting the functioning of the Organization and damaging its reputation</b>	Irreconcilable differences between constituent groups cannot be overcome within available time frames. Complexity of issues leading to irreconcilable differences has been underestimated.	Regular communications and dialogue with constituents on developing issues. The Director-General undertakes initiatives to prevent and/or defuse any institutional crisis.	Director-General, Senior Management Team

## □ Evaluation

**261.** The results of the 2016 independent external evaluation of the ILO's evaluation function will inform the Office's evaluation strategy 2018–21 and the Evaluation Advisory Committee will continue to disseminate evaluation findings. Technical departments will be given better guidance in the use of evaluation findings and impact evaluations to identify effective policy solutions and document the ILO's contribution to implementation of the 2030 Agenda.

- an unmodified external audit opinion and continued issuance of the Statement of Internal Control;
- six high-level evaluations, two annual evaluation reports, 80 project evaluations and ten impact or meta-studies;
- a risk management database;
- an external quality assurance review of the Internal Audit and Oversight Office.

## Most significant outputs

**262.** The most significant outputs to be delivered by the Office in the biennium will include:

- an overall review of the impact of the reform process undertaken with respect to the various ILO governing organs;
- an efficient and accessible paper-smart model for all official documents and meetings;

## External partnerships

**263.** The Office will further strengthen its relations with UN institutional bodies and other relevant entities, including the UN High-level Political Forum on Sustainable Development, the UN System Chief Executives Board, the Joint Inspection Unit, the International Civil Service Commission and the United Nations Evaluation Group (UNEG).

## Indicators

Indicator B.1: Effectiveness of governance and policy-setting functions of the ILO organs		
Criteria for success	Target	Baseline
Reportable results must meet the following:		
Effective implementation of agreed reform measures.	<ul style="list-style-type: none"> <li>■ Streamlining and further simplification, modernization and uniformity of rules and procedures of governing organs and official meetings.</li> <li>■ Improved pre-Conference planning and consultations on standard-setting items.</li> </ul>	Level of implementation of appropriate procedures and rules resulting from the review of trials as at end of 2017.
Implementation of the resolution on advancing social justice through decent work is reflected in ILO governance and management decision-making.	All the elements of the programme of work due by end 2019 are delivered.	Programme of work to be adopted by the Governing Body in March 2017.
Implementation of a monitoring mechanism for decisions made by ILO Governing organs.	Adoption of a procedure for regular reporting on decisions and adherence to follow-up plan of action.	Absence of formal monitoring procedure.

<b>Indicator B.2: Efficiency of the planning, preparation and management of sessions of the International Labour Conference and Governing Body and of Regional Meetings</b>		
<b>Criteria for success</b>	<b>Target</b>	<b>Baseline</b>
Reportable results must meet the following:		
Timely provision of concise official documents in electronic form for all official meetings (enforcement of paper-smart model).	<ul style="list-style-type: none"> <li>■ 100 per cent of official documents are published electronically on time.</li> <li>■ 25 per cent of pre-session official documents published only electronically.</li> <li>■ 50 per cent of in-session official documents published only electronically.</li> <li>■ All post-session official documents published only electronically.</li> <li>■ The volume of words processed does not increase.</li> </ul>	<ul style="list-style-type: none"> <li>■ 95 per cent of official documents are published electronically on time.</li> <li>■ 0 per cent of official documents published only electronically.</li> <li>■ 18 million words (2016–17 target: 10 per cent reduction to the 20 million words processed in 2014–15 – already reduced by 15 per cent by reference to previous biennium).</li> </ul>
Paper-smart official correspondence.	85 per cent of official communications sent exclusively in electronic format.	14 per cent of official communications sent exclusively in electronic format (2014–15).
Effective and efficient time management of sessions for official meetings.	+ or – 10 per cent difference maximum with the initial agreed workplan of the meetings.	Baseline percentage to be determined on the basis of findings for the Governing Body sessions in 2016 and 2017, the session of the International Labour Conference in 2017 as well as sectoral meetings held in 2017.
<b>Indicator B.3: Quality legal services for efficient institutional functioning</b>		
<b>Criteria for success</b>	<b>Target</b>	<b>Baseline</b>
Reportable results must meet the following:		
Timely and quality legal service provided.	Quality-driven and time-conscious legal advice provided to the Organization and the Office for effective protection of their status and interests.	Continuous improvement in addressing legal challenges and risks.
Ratification of the UN Convention on Privileges and Immunities of Specialized Agencies.	Three new ratifications of the UN Convention on Privileges and Immunities of Specialized Agencies obtained.	62 member States are not parties to the 1947 Privileges and Immunities Convention (2016).
<b>Indicator B.4: Quality of the fulfilment of oversight, accountability and risk management functions</b>		
<b>Criteria for success</b>	<b>Target</b>	<b>Baseline</b>
Reportable results must meet the following:		
The External Auditor's level of satisfaction with the consolidated financial statements.	Unmodified external audit opinion and full compliance with IPSAS maintained.	Unmodified external audit opinion and full compliance with IPSAS in 2015.



Time required for the effective implementation of audit recommendations.	<ul style="list-style-type: none"> <li>■ The units responsible for implementing oversight recommendations provide their action plans within three months of the audit report being issued.</li> <li>■ All audit recommendations accepted by management are implemented within six months of the report's date.</li> </ul>	<ul style="list-style-type: none"> <li>■ Average timeframe for Office responses to internal audit reports in 2014–15 was 5.9 months.</li> <li>■ Percentage of internal audit recommendations fully implemented by the six-month target date was 68.8 per cent in 2014–15.</li> </ul>
Percentage of outstanding internal audit recommendations identified in follow-up audit.	17 per cent of recommendations outstanding.	About 23 per cent identified in the follow-up audits during the 2014–15 biennium.
Level of implementation of the Organization-wide risk management framework.	Risk management framework fully implemented and maintained.	Risk management framework established in 2015.
Level of awareness among staff of ILO governance documents on ethical standards of conduct and whistle-blowing.	50 per cent increase of staff awareness of governance documents concerned.	Findings of the 2017 staff survey on ethics.
<b>Indicator B.5:</b> Adequacy of use of findings and recommendations from independent evaluations in decision-making by ILO management and the Governing Body		
<b>Criteria for success</b> Reportable results must meet the following:	<b>Target</b>	<b>Baseline</b>
Improved use of evaluation findings by constituents and management for governance.	<ul style="list-style-type: none"> <li>■ The Evaluation Advisory Committee (EAC) continues to provide substantial input into follow-up to recommendations of high-level evaluations.</li> <li>■ Follow-up to project recommendations is at least 90 per cent.</li> <li>■ 75 per cent of EVAL recommendations are fully or partially reflected in strategic guidance provided in P&amp;B 2020–21.</li> </ul>	<ul style="list-style-type: none"> <li>■ Stocktaking of the level of input provided by the EAC as of end 2017.</li> <li>■ Between 84 per cent and 89 per cent for 2015–16.</li> <li>■ 40 to 50 per cent for period 2010–15 based on stocktaking exercise undertaken in 2015.</li> </ul>
Quality of high-level and project evaluations in line with good practices as defined by the OECD and UNEG standards.	<ul style="list-style-type: none"> <li>■ External assessments confirm that 85 per cent of project evaluations meet OECD and UNEG quality standards.</li> <li>■ Maintain acceptable quality of high-level evaluations.</li> <li>■ Improved impact evaluations by technical departments and ILO offices as a result of conforming with EVAL guidance.</li> </ul>	<ul style="list-style-type: none"> <li>■ 2014–15 external assessments show that about 70 per cent of project evaluations meet the quality standard.</li> <li>■ Independent review undertaken in 2013 confirmed quality up to standard and IEE 2016 to confirm or establish new baseline.</li> <li>■ Quality of impact evaluations not optimal nor uninform as indicated in EVAL stocktaking report of impact evaluation in 2014.</li> </ul>
Evaluation capacity and practice among ILO staff and constituents improved.	<ul style="list-style-type: none"> <li>■ At least 75 constituents have undergone evaluation training and 50 ILO staff members are certified as evaluation managers or internal evaluators.</li> <li>■ 80 per cent increase in separate evaluative initiatives by ILO departments and regions other than mandatory evaluations.</li> </ul>	<ul style="list-style-type: none"> <li>■ Number trained as reported in annual evaluation report for 2017.</li> <li>■ Number to be determined on the basis of evaluative initiatives undertaken in 2016–17.</li> </ul>

## Outcome C: Efficient support services and effective use of ILO resources

*Outcome statement: The Office is supported by efficient administrative processes and makes effective and efficient use of all resources entrusted to the Organization.*

- enhanced safety and security for ILO staff and assets.

### Means of action

#### The issue to be addressed

264. Constituents' demand for quality services is growing steadily as the world of work challenges become more complex and external scrutiny of accountability for results and value for money increases. Addressing these issues in an effective, efficient and responsive manner requires continued improvement in core business processes and support services, including security measures, at headquarters and in the regions.

#### Key lessons from previous work

265. Management reforms, in particular the business process review, show that in order for improvements to have the greatest impact, they must be supported by a healthy organizational culture and strong management practices and that the involvement of senior management and ongoing internal communication are essential. Improvements must be introduced in an inclusive and consultative manner in order to achieve commitment of staff and lasting improvements. Strategic investment in IT solutions will lead to further efficiency gains.

#### Expected changes

266. Key expected changes are:

- better value for money from continuous improvement of support services through more efficient managerial and administrative systems and practices and teamwork across the Office;
- strengthened programming frameworks and resource allocation mechanisms based on improved, Office-wide application of results-based management;
- consolidated and more diversified development partnerships;
- enhanced performance management, staff development and leadership;
- enhanced environmental sustainability, including the "greening" of the Office; and

#### □ Business improvements

267. At headquarters and in field offices, work will continue on improving efficiency, service levels and the speed of decision-making with effective risk management. A team of ILO change management experts will guide managers and staff through the business process review, continuous improvement and follow-up. Where appropriate, relevant IT systems will be enhanced in order to support the new business processes, collaboration, reporting and effective and timely decision-making.

268. The results of these efforts will enable the Office to deliver higher quality, more effective support services and to redeploy resources from administrative tasks to policy, technical and analytical work, for the direct benefit of constituents.

#### □ Strategic programming and results-based management

269. The Office will continue to apply results-based management to its programming procedures and instruments. This work will focus on strengthening the delivery of an integrated resource framework through improved strategic budgeting and outcome-based work plans and quality assurance for the design and implementation of DWCPs, with a view to an enhanced Office-wide framework for monitoring and reporting on performance and impact. The biennial implementation report will be further developed as a tool to communicate changes in the world of work promoted by the ILO, with concrete effects on people's lives.

270. The Office will also pursue efforts to increase the resourcing of DWCPs and align them with the new generation of UNDAFs or equivalent planning frameworks at the country level with national sustainable development strategies and with the SDGs. It will enhance outreach to development partners and other stakeholders in an effort to leverage the ILO agenda and expand voluntary funding.

## □ Resource mobilization and development cooperation

**271.** The ILO will seek to increase the level of voluntary contributions in support of its agenda, focusing on multi-year partnerships with development partners and on diversification in order to engage emerging partners and the private sector. Partnerships at the global level will be expanded and the earmarking of funds reduced. Resource mobilization will be pursued at the country and regional levels and through UN funding mechanisms in close collaboration with UN Resident Coordinators.

## □ Human resources

**272.** Building on the results of previous human resources reforms, the Office will continue to diversify and expand its portfolio of professional development opportunities and better tailor learning initiatives. Training in operations management and enhanced staff engagement will lay the foundation for continuous, sustainable process improvement, more effective performance management and greater understanding of internal governance and accountability standards.

**273.** The Office will develop an operating model for human resource business services that ensures effectiveness, agility and accountability. Targeted investment will strengthen workforce planning and attract talented individuals to key positions; new initiatives will improve recruitment, including for development cooperation programmes and enhance career development; and advocacy and outreach will enhance functional and geographical – including inter-agency – mobility.

## □ Office facilities

**274.** Renovation of the headquarters building will be completed grounded in careful control of costs and timelines. The renovation will serve to help reduce the Office's energy consumption and improve maintenance and waste management.

**275.** Drawing on the results achieved in 2016–17, building maintenance plans for all ILO-owned

premises will be updated through cost-effective, feasible measures that will reduce the Office's environmental impact. Effective waste management practices piloted in selected offices in 2016–17 will be expanded to include all ILO-owned premises. The Office will continue to monitor compliance with the Minimum Operating Security Standards and to introduce upgrades as required

## Most significant outputs

**276.** The most significant outputs to be delivered by the Office in the biennium will include:

- more efficient administrative processes supported by appropriate IT systems;
- improved tools and processes for strategic budgeting, with enhanced results-based and financial reporting;
- further integrated resource mobilization efforts and multi-stakeholder engagement around specific SDGs in line with the Quadrennial Comprehensive Policy Review recommendations;
- more effective management tools and practices at the unit level;
- complete renovation of the headquarters building office space;
- enhanced safety and security for ILO staff and assets.

## External partnerships

**277.** The ILO will continue to cooperate with other UN system agencies in areas where common services can improve the efficiency, transparency and responsiveness of delivery. At the country level, this will include contributing to funding the Offices of the UN Resident Coordinators, common security services and facilities, and joint procurement. Headquarters-level initiatives will include common health and conference services, joint procurement, leveraging IT investment and sharing expertise.

## Indicators

<b>Indicator C1: Efficiency and effectiveness of ILO support services</b>		
<b>Criteria for success</b>	<b>Target</b>	<b>Baseline</b>
Reportable results must meet the following:		
Overall compliance with the Performance Management Framework for the biennium 2018–19.	80 per cent	2016–17 performance (from GB paper)
Percentage of ILO external offices whose operations are fully managed using IRIS.	100 per cent of DWTs and country offices	Projected results as of December 2017: ■ 100 per cent of regional offices ■ 38 per cent of DWTs and country offices
Percentage of users who report a positive assessment of the effectiveness of ILO support services.	10 per cent increase	2017 survey results
<b>Indicator C2: Effectiveness of programming at the country level</b>		
<b>Criteria for success</b>	<b>Target</b>	<b>Baseline</b>
Reportable results must meet the following:		
Percentage of DWCP documents that meet quality criteria in line with the established guidance as revised following the 2016 resolution on Advancing Social Justice through Decent Work.	100 per cent of the DWCPs developed during the biennium	Not applicable (as at end of 2016)
Percentage of DWCPs that are monitored by a tripartite steering committee.	100 per cent of the DWCPs active during the biennium	79 per cent of active DWCPs (as at end of 2016)
<b>Indicator C3: Adequate level and flexibility of extra-budgetary voluntary contributions secured from a diverse range of development partners</b>		
<b>Criteria for success</b>	<b>Target</b>	<b>Baseline</b>
Reportable results must meet the following:		
Share of extra-budgetary technical cooperation and RBSA as a percentage of total resources available to the Office.	45 per cent	39 per cent (2014–15)
Share of unearmarked and lightly earmarked resources as a percentage of total of voluntary contributions.	15 per cent	12 per cent (2014–15)
<b>Indicator C4: Effective talent and leadership development</b>		
<b>Criteria for success</b>	<b>Target</b>	<b>Baseline</b>
Reportable results must meet the following:		
Number of staff who change position or duty station for one year or more.	10 per cent increase	Number of staff who change position or duty station in 2016–17
Percentage of managers who are perceived by their staff as driving change positively, and helping others to understand the benefit of change.	75 per cent	2016–17 performance

<b>Indicator C5: Effective facilities management</b>		
<b>Criteria for success</b>	<b>Target</b>	<b>Baseline</b>
Reportable results must meet the following:		
Premises at headquarters have improved environmental performance.	16 per cent decrease in annual energy consumption by end 2019	Energy consumption in 2015 (22.9 million MWh)
Installation of water management technologies.	100 per cent of renovated premises are equipped with water management technologies	N/A
Improved waste management practices in ILO-owned offices.	100 per cent of ILO-owned offices	45 per cent of ILO-owned offices in 2016–17





# Appendix

## Summary of contributions to SDG targets and links to SDG indicators by policy outcome

Policy outcome	Relevant SDG targets	SDG indicators (ILO is custodian or involved agency)
1. <b>More and better jobs for inclusive growth and improved youth employment prospects</b>	1.b. Create sound policy frameworks at the national, regional and international levels, based on pro-poor and gender-sensitive development strategies, to support accelerated investment in poverty eradication actions.	
	4.3. By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university.	
	4.4. By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.	
	4.5. By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations.	
	8.1. Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countries.	
	8.2. Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors.	8.2.1 Annual growth rate of real GDP per employed person
	8.3. Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small and medium-sized enterprises, including through access to financial services.	
	8.5. By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.	8.5.1 Average hourly earnings of female and male employees, by occupation, age and persons with disabilities 8.5.2 Unemployment rate, by sex, age and persons with disabilities
	8.6. By 2020, substantially reduce the proportion of youth not in employment, education or training.	8.6.1 Proportion of youth (aged 15–24 years) not in education, employment or training

Policy outcome	Relevant SDG targets	SDG indicators (ILO is custodian or involved agency)	
	8.8. Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.		
	8.b. By 2020, develop and operationalize a global strategy for youth employment and implement the Global Jobs Pact of the International Labour Organization.	8.b.1	Existence of a developed and operationalized national strategy for youth employment, as a distinct strategy or as part of a national employment strategy
	10.4. Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality.		
2. Ratification and application of international labour standards	8.5. By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.		
	8.8. Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.	8.8.2	Level of national compliance of labour rights (freedom of association and collective bargaining) based on International Labour Organization (ILO) textual sources and national legislation, by sex and migrant status
	16.3. Promote the rule of law at the national and international levels and ensure equal access to justice for all.		
3. Creating and extending social protection floors	1.3. Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable.	1.3.1	Proportion of population covered by social protection floors/systems, by sex, distinguishing children, unemployed persons, older persons, persons with disabilities, pregnant women, newborns, work-injury victims and the poor and the vulnerable
		1.a.2	Proportion of total government spending on essential services (education, health and social protection)
	3.8. Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.		
	5.4. Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate.		

Policy outcome	Relevant SDG targets	SDG indicators (ILO is custodian or involved agency)
<b>4. Promoting sustainable enterprises</b>	8.5. By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.	8.b.1 Existence of a developed and operationalized national strategy for youth employment, as a distinct strategy or as part of a national employment strategy
	10.4. Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality.	10.4.1 Labour share of GDP, comprising wages and social protection transfers
	8.3. Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small and medium-sized enterprises, including through access to financial services.	8.3.1 Proportion of informal employment in non-agriculture employment, by sex
	8.4. Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the ten-year framework of programmes on sustainable consumption and production, with developed countries taking the lead.	
	8.10. Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all.	
<b>5. Decent work in the rural economy</b>	9.3. Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets.	
	1.2. By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions.	1.1.1 Proportion of population below the international poverty line, by sex, age, employment status and geographical location (urban/rural)
	2.3. By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment.	
	8.2. Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors.	

Policy outcome	Relevant SDG targets	SDG indicators (ILO is custodian or involved agency)	
<b>6. Formalization of the informal economy</b>	1.4. By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance		
	5.a Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws.		
	8.3. Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small and medium-sized enterprises, including through access to financial services.	8.3.1	Proportion of informal employment in non-agriculture employment, by sex
	10.2. By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.		
<b>7. Promoting safe work and workplace compliance including in global supply chains</b>	3.9. By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.		
	8.8. Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.	8.8.1	Frequency rates of fatal and non-fatal occupational injuries, by sex and migrant status
	16.6. Develop effective, accountable and transparent institutions at all levels.		
<b>8. Protecting workers from unacceptable forms of work</b>	5.2. Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation.	5.5.2	Proportion of women in managerial positions
	8.5. By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.	8.5.1	Average hourly earnings of female and male employees, by occupation, age and persons with disabilities
		8.5.2	Unemployment rate, by sex, age and persons with disabilities
	8.7. Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.	8.7.1	Proportion and number of children aged 5–17 years engaged in child labour, by sex and age

Policy outcome	Relevant SDG targets	SDG indicators (ILO is custodian or involved agency)
	8.8. Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment .	8.8.2 Level of national compliance of labour rights (freedom of association and collective bargaining) based on International Labour Organization (ILO) textual sources and national legislation, by sex and migrant status
	10.3. Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.	
9. Fair and effective international labour migration and mobility	8.8. Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.	
	10.7. Facilitate orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed migration policies.	10.7.1 Recruitment cost borne by employee as a proportion of yearly income earned in country of destination
10. Strong and representative employers' and workers' organizations		
<i>Employers' organizations and business membership organizations</i>	5.5. Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.	5.5.2 Proportion of women in managerial positions
	8.2. Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors.	8.8.2 Level of national compliance of labour rights (freedom of association and collective bargaining) based on International Labour Organization (ILO) textual sources and national legislation, by sex and migrant status
	8.3. Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small and medium-sized enterprises, including through access to financial services.	
	8.5. By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.	
	9.3. Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets.	

Policy outcome	Relevant SDG targets	SDG indicators (ILO is custodian or involved agency)
	9.5. Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending.	
	16.6. Develop effective, accountable and transparent institutions at all levels.	
<b>Workers' organizations</b>	8.5. By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.	
	8.8. Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment .	8.8.2 Level of national compliance of labour rights (freedom of association and collective bargaining) based on International Labour Organization (ILO) textual sources and national legislation, by sex and migrant status
	16.7. Ensure responsive, inclusive, participatory and representative decision-making at all levels.	
	16.10.Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements	16.10.1 Number of verified cases of killing, kidnapping, enforced disappearance, arbitrary detention and torture of journalists, associated media personnel, trade unionists and human rights advocates in the previous 12 months



## **Information annexes**

1. Operational budget
2. Details of cost increases
3. Operational budget by item and object of expenditure
4. Summary of regular budget technical cooperation resources



## Operational budget

278. This Information annex provides additional information on the operational budget of the ILO composed of the following four parts: Part I “Ordinary budget” on major functions and resources of ILO programmes and on other budgetary provisions; Part II “Unforeseen expenditure”; Part III “Working Capital Fund”; and

Part IV “Institutional investments and extraordinary items”.

279. As described in the Executive overview, the allocations reflect redeployment of resources from administrative and support functions to front-line analytical and technical services at headquarters and the regions.

### Part I: Ordinary budget

#### Governance organs

280. **International Labour Conference, Governing Body and Regional Meetings** resources show the direct costs (such as interpretation, preparation and printing of reports, rental of facilities, Governing Body members’ travel and some staff costs) of holding two sessions of the Conference and six sessions of the Governing Body, as well as two Regional Meetings in the biennium: the 19th American Regional Meeting in 2018 and the 14th African Regional Meeting in the course of 2019. Certain costs identifiable from the

Official Meetings, Documentation and Relations Department and the Internal Services and Administration Department related to the support of these governance organs have also been shown under this item to provide a more complete cost estimate for these meetings.

281. The **Office of the Legal Adviser** is responsible for providing legal advice and other legal services to the Organization, including legal opinions concerning the Constitution, membership, rules and activities of the ILO. It also provides legal expertise on personnel matters, commercial or technical issues and contracts.

# Operational budget for 2018–19

	Professional	General service	Staff costs	Non staff costs	Total resources
	(work-years/months)				
<b>Part I</b>					
<b>Governance organs</b>					
International Labour Conference	26 / 6	36 / 0	22 531 612	4 908 240	27 439 852
Governing Body	23 / 4	34 / 11	14 473 256	4 151 496	18 624 752
Major Regional Meetings	2 / 6	3 / 9	1 839 326	765 812	2 605 138
Office of the Legal Adviser	13 / 4	2 / 0	3 596 036	118 776	3 714 812
	<b>65 / 8</b>	<b>76 / 8</b>	<b>42 440 230</b>	<b>9 944 324</b>	<b>52 384 554</b>
<b>Policy</b>					
International Labour Standards	87 / 3	25 / 7	23 634 753	1 969 478	25 604 231
Employment Policy	64 / 3	21 / 0	18 531 226	3 165 340	21 696 566
Enterprises	50 / 0	15 / 0	13 739 520	2 900 095	16 639 615
Sectoral Policies	36 / 0	11 / 0	10 320 010	2 713 464	13 033 474
Governance and Tripartism	88 / 0	28 / 0	25 088 763	3 589 095	28 677 858
Conditions of Work and Equality	73 / 2	20 / 0	20 051 781	2 221 334	22 273 115
Social Protection	44 / 0	7 / 0	10 796 841	301 752	11 098 593
Research and Knowledge	70 / 0	19 / 0	18 533 241	1 497 909	20 031 150
Statistics	46 / 0	16 / 0	12 625 375	1 133 390	13 758 765
Technical Meetings Reserve	0 / 0	0 / 0	0	582 305	582 305
Deputy Director-General's Office	10 / 0	2 / 0	3 155 268	280 664	3 435 932
Regular Budget Technical Cooperation	0 / 0	0 / 0	0	6 495 845	6 495 845
	<b>568 / 8</b>	<b>164 / 7</b>	<b>156 476 778</b>	<b>26 850 671</b>	<b>183 327 449</b>
<b>Field Operations and Partnerships</b>					
Multilateral Cooperation	20 / 0	8 / 0	6 066 592	1 641 013	7 707 605
Partnerships and Field Support	15 / 6	7 / 5	5 023 757	294 169	5 317 926
Programmes in Africa	233 / 1	258 / 0	50 189 515	27 580 354	77 769 869
Programmes in the Americas	186 / 2	147 / 0	44 348 485	19 479 230	63 827 715
Programmes in Arab States	48 / 0	37 / 3	13 393 865	5 188 120	18 581 985
Programmes in Asia and the Pacific	229 / 7	246 / 0	49 815 671	20 401 999	70 217 670
Programmes in Europe and Central Asia	93 / 11	66 / 0	19 587 644	5 111 690	24 699 334
International Training Centre of the ILO, Turin	0 / 0	0 / 0	0	8 343 454	8 343 454
South–South and triangular cooperation	0 / 0	0 / 0	0	1 785 841	1 785 841
Deputy Director-General's Office	6 / 4	3 / 5	2 335 720	158 399	2 494 119
	<b>832 / 7</b>	<b>773 / 1</b>	<b>190 761 249</b>	<b>89 984 269</b>	<b>280 745 518</b>
<b>Employers' and workers' organizations</b>					
Employers' activities	25 / 0	5 / 6	6 927 612	3 395 943	10 323 555
Workers' activities	46 / 0	14 / 0	13 237 920	8 003 815	21 241 735
	<b>71 / 0</b>	<b>19 / 6</b>	<b>20 165 532</b>	<b>11 399 758</b>	<b>31 565 290</b>

	Professional	General service	Staff costs	Non staff costs	Total resources
	(work-years/months)				
<b>Management and Reform</b>					
<b>Support services</b>					
Internal Services and Administration	33 / 8	136 / 2	26 550 468	21 051 512	47 601 980
Information and Technology Management	87 / 0	62 / 1	27 753 510	19 728 604	47 482 114
Official Meetings, Documentation and Relations	36 / 5	45 / 9	17 030 947	1 150 502	18 181 449
Communications and Public Information	41 / 0	20 / 0	12 486 372	1 638 672	14 125 044
Procurement	10 / 3	3 / 5	2 761 675	120 580	2 882 255
	<b>208 / 4</b>	<b>267 / 5</b>	<b>86 582 972</b>	<b>43 689 870</b>	<b>130 272 842</b>
<b>Management services</b>					
Human Resources Development	44 / 4	59 / 0	19 483 142	4 864 103	24 347 245
Financial Management	42 / 10	38 / 10	15 291 663	496 506	15 788 169
Strategic Programming and Management	15 / 5	6 / 0	4 618 131	122 600	4 740 731
Deputy Director-General's Office	6 / 0	2 / 0	2 162 345	282 065	2 444 410
	<b>108 / 7</b>	<b>105 / 10</b>	<b>41 555 281</b>	<b>5 765 274</b>	<b>47 320 555</b>
<b>Office of the Director-General</b>	10 / 0	16 / 0	5 700 055	1 392 123	7 092 178
<b>Oversight and evaluation</b>					
Internal Audit and Oversight	8 / 3	3 / 0	2 803 118	248 237	3 051 355
Independent Oversight Advisory Committee	1 / 0	0 / 2	313 898	306 445	620 343
External audit costs	0 / 0	0 / 0	0	1 067 400	1 067 400
Ethics function	0 / 6	0 / 3	159 780	141 723	301 503
Evaluation	8 / 0	2 / 0	2 270 160	760 506	3 030 666
	<b>17 / 9</b>	<b>5 / 5</b>	<b>5 546 956</b>	<b>2 524 311</b>	<b>8 071 267</b>
<b>Other budgetary provisions</b>	9 / 0	9 / 10	3 839 254	41 618 458	45 457 712
<b>Adjustment for staff turnover</b>	0 / 0	0 / 0	-6 420 379	0	-6 420 379
<b>Total Part I</b>	<b>1 891 / 7</b>	<b>1 438 / 4</b>	<b>546 647 928</b>	<b>233 169 058</b>	<b>779 816 986</b>
<b>Part II. Unforeseen expenditure</b>	0 / 0	0 / 0	0	875 000	875 000
<b>Part III. Working Capital Fund</b>	0 / 0	0 / 0	0	0	0
<b>Part IV. Institutional Investments and Extraordinary Items</b>	0 / 0	0 / 0	0	3 428 014	3 428 014
<b>Total (Parts I-IV)</b>	<b>1 891 / 7</b>	<b>1 438 / 4</b>	<b>546 647 928</b>	<b>237 472 072</b>	<b>784 120 000</b>

## Policy

**282.** The resources for policy will consolidate the ILO's ability to develop and deliver high-quality, relevant and useful policy advice, advocacy, and development cooperation. The allocations reflect the deployment of 14 additional technical positions. The main functions of the departmental structure are:

**283. International labour standards:** Standard-setting and supervisory functions and review of standards policy.

**284. Employment policy:** Analysis and policy advice on integrated employment, development and skills policies that maximize the employment impact of economic growth and investment to promote inclusive and sustainable development.

**285. Enterprises:** Analysis and policy advice to promote sustainable enterprises, including cooperatives and multinational enterprises.

**286. Sectoral policies:** Analysis of emerging employment and labour trends in a range of economic sectors and dialogues at the national and global levels on sectoral guidelines, policies and strategies.

**287. Governance and tripartism:** Analysis and policy advice on labour law and the realization of fundamental labour rights, technical support and capacity building to labour ministries and labour inspectorates, including on occupational safety and health and workplace compliance.

**288. Conditions of work and equality:** Analysis and policy advice on wages, working time, collective bargaining, job security, working conditions, gender equality and non-discrimination, international labour migration and mobility, HIV/AIDS, disability and indigenous peoples.

**289. Social protection:** Analysis and policy advice on building and expanding social protection floors and social protection policies.

**290. Research:** Development of an ILO research programme to address current and future challenges in the world of work for which the Organization must have credible, authoritative evidence-based positions.

**291. Statistics:** Central management and coordination of the compilation, quality control and dissemination of ILO statistical information on decent work, including with respect to the relevant SDG targets.

**292.** The **technical meetings reserve** will finance the 20th International Conference of Labour Statisticians and the third meeting of the Special Tripartite Committee established for the Maritime Labour Convention, 2006.

## Field operations and partnerships

**293.** The resources for field operations and partnerships will enhance the efficiency, effectiveness and impact of ILO activities in the regions, strengthen the capacity of the ILO's tripartite constituents and support its member States in implementing the 2030 Agenda, develop and support external partnerships and manage relations with the United Nations and the multilateral system. The main functions are:

**294. Multilateral cooperation:** Promotion and coordination of the ILO's cooperation with the United Nations, international finance institutions and other multilateral organizations.

**295. Partnerships and field support:** Overall management of the ILO's development cooperation programme, as well as partnerships with a broad range of organizations and institutions, including public–private partnerships and South–South and triangular cooperation programme.

**296.** Allocations for the **regional programmes** reflect the deployment of ten additional technical positions in the five regions and an increase of the regular budget for technical cooperation.

**297.** The **International Training Centre of the ILO** (Turin Centre) develops and delivers training programmes responding to ILO and constituent priorities. Programmes are delivered at the Centre, in the regions and through distance learning. A close alignment is maintained between ILO programmes and training programmes delivered through the Centre. The allocation represents a direct contribution towards the operational costs of the Centre.

## Employers' and workers' organizations

**298.** The **Bureau for Employers' Activities** and the **Bureau for Workers' Activities** are responsible for the coordination of all the Office's relationships with employers' and workers' organizations, respectively, both at headquarters and in the field. They are also responsible for promoting the participation of employers' and workers' organizations in ILO activities. They also ensure that ILO strategies and programmes address the concerns and priorities of those organizations and their members and tripartism and social dialogue are mainstreamed into the technical work of the Organization. The allocations reflect the deployment of 2.5 additional technical positions and an increase of the regular budget for technical cooperation.

## Management and reform

**299.** The resources for management and reform will consolidate the effective and efficient delivery of ILO support services, with a particular emphasis on managerial and administrative practices. The main functions of the departmental structure are:

**300. Internal services and administration:** General management of facilities, property and inventory; safety and security; printing, publishing and distribution; diplomatic privileges; travel and transport; the use of public spaces; and general internal services.

**301. Information and technology management:** All IT and information management and the



development and implementation of an information management strategy.

**302. Official meetings, documentation and relations:** Support to the governing organs and other official meetings of the Organization, official relations with the constituents, official documentation (translation, revision, editing and formatting services) and meeting services (including interpretation services, planning, programming and technology support services).

**303. Communications and public information:** The ILO's communication through relations with the media, public information initiatives and the management of the ILO's public and internal websites.

**304. Human resources development:** Human resource policy and operations, staff development and the administration of health insurance, as well as leading relations with staff representatives.

**305. Financial management:** Financial governance and ensuring that financial duties and obligations are carried out effectively and efficiently and are consistent with the Financial Regulations and Rules.

**306. Procurement:** The administration of procurement procedures, the procurement of equipment and services, and subcontracting.

**307. Strategic programming and management:** Providing the Governing Body and the International Labour Conference with the analysis and proposals necessary to define the ILO's programme of work and to report on its implementation.

## Oversight and evaluation

**308.** The resources for oversight and evaluation will further enhance effective monitoring and oversight in the use of resources entrusted to the ILO and full accountability of the Office with regard to the delivery of its programme. Allocations reflect an increase for oversight purposes. The main functions are:

**309. Internal Audit and Oversight:** Responsible for the internal audit function in accordance with Chapter XIV of the Financial Rules of the Office. It reports directly to the Director-General.

**310. Independent Oversight Advisory Committee:** Provision of advice to the Governing Body and the Director-General on the effectiveness of internal control, financial management and reporting, risk management and internal and external audit outputs.

**311. External audit:** Provision for the cost of the audit of all the funds for which the Director-General has custody (regular budget, United Nations Development Programme projects, trust funds,

extra-budgetary accounts and all other accounts). Also included are costs related to independent evaluations of land and buildings and after-service health insurance liabilities required to ensure compliance with IPSAS.

**312.** The **Ethics function** ensures support and compliance with ethical standards of conduct and that integrity is observed by all staff in the Organization.

**313. Evaluation:** Responsible for providing independent, high-quality evaluation services to the ILO. It reports directly to the Director-General.

## Other budgetary provisions

**314.** This item includes the budgetary provisions for contributions to various ILO funds and United Nations common system and inter-agency bodies, as well as provisions that do not appropriately fall elsewhere in the programme and budget.

**315. *Loan annuities for the ILO building:*** Provision is made for the payment of two annuities of CHF3,702,300 in 2018 and 2019 (equivalent of some \$7,634,000 for the biennium) for the loan from the Swiss Property Foundation for the International Organizations (FIPOI) in connection with the original construction of the ILO headquarters building. The loan will be fully repaid by the year 2025.

**316. *ILO Staff Pension Fund:*** The provision remains at the same level in real terms (some \$302,000) to cover the cost of the remaining beneficiary of this Fund.

**317. *Special Payments Fund:*** The purpose of this Fund is to make periodic ex gratia payments to former officials or their spouses in accordance with criteria approved by the Governing Body. The regular budget contribution to the Fund of CHF232,000 (some \$239,000) is maintained at the same level in real terms as in the previous biennium.

**318. *Staff Health Insurance Fund:*** Contribution for the insurance of retired officials: This provision, which amounts to some \$30.1 million, covers the ILO's contribution to the Staff Health Insurance Fund (SHIF) in respect of the insurance of retired officials, invalidity pensioners, surviving spouses and orphans. The amount for 2018–19 for the retired officials in real terms is at the same level as in the previous biennium.

**319. *Contribution to the Building and Accommodation Fund:*** The regular budget provision under this heading is some CHF397,000 per biennium (some \$409,000). Under Part IV of this programme and budget, Institutional Investments, a provision of some \$3.43 million has been made towards the financing of the Fund for

future periodic refurbishment and renovation of ILO buildings.

**320. Contribution to various UN common system bodies and inter-agency committees:** The total provision of some \$1.6 million is the same level in real terms as the previous biennium. It covers ILO contributions to various UN common system entities including the Joint Inspection Unit, the United Nations System Chief Executives Board for Coordination, the Common Procurement Activities Group, the International Civil Service Commission (ICSC), the United Nations System Staff College and salary survey activities.

**321. Medical Service:** The ILO operates an Occupational Safety and Health Unit as an integral part of the Office to provide a range of medical services and advice. The same amount in real terms (some \$2.1 million) has been provided for as in the previous biennium.

**322. Administrative Tribunal:** The resources under this heading provide for the Registrar of the Administrative Tribunal, part-time secretarial support, and a share of other operating costs. Other operating costs consist of the costs of the Assistant Registrar, clerical assistance, mission credits, translation work, the maintenance of computer database of the Tribunal's case law, and the judges' fees and travel expenses, which are apportioned on the basis of the proportion of ILO staff to the total number of staff of organizations

that have accepted the jurisdiction of the Tribunal, and the number of cases involving the ILO to the total number of cases brought before the Tribunal during the biennium. The amount provided (some \$1.3 million) remains the same in real terms as in the previous biennium.

**323. Staff representation:** In accordance with article 10.1 of the Staff Regulations, members of the Staff Union Committee are allowed time off for the purpose of representing the staff of the Office on questions of conditions of work and terms of employment. As in previous biennia, a provision of 4/00 Professional and 1/00 General Service work-years is included to partially finance replacements in those units in which members of the Staff Union Committee normally work. A further 2/00 General Service work-years provides for a secretary for the Staff Union. The total provision for staff representation amounts to some \$1.4 million.

**324. Childcare facilities:** The total provision amounts to some CHF573,000 (some \$591,000) and remains the same in real terms as in the previous biennium.

**325. Unpaid liabilities:** The amount of \$2,000 provides for the payment in 2018–19 of such transactions in respect of previous years as would not be appropriate to pay from any other item of the budget. This provision is required by article 17 of the Financial Regulations.

## Part II: Unforeseen expenditure

**326.** Provision is made under this item for unforeseen and extraordinary expenses, i.e. those which may arise when, as a result of Governing Body decisions taken after the adoption of the budget, or for any other reason, an approved budget credit is no longer sufficient for the purpose envisaged; or when the Governing Body approves an item of work or an activity for which no provision has been made in the budget.

**327.** In accordance with article 15 of the Financial Regulations, no part of the resources provided under this item may be used for any other purpose without the specific prior authorization of the Governing Body.

**328.** The total supplementary expenditure authorizations approved by the Governing Body in respect of recent financial periods have been as follows:

Financial period	US dollars
2004–05	1 473 500
2006–07	1 013 700
2008–09	1 244 900
2010–11	808 930
2012–13	1 796 400
2014–15	1 895 200

**329.** Normally, these authorizations have included a provision that in the first instance they be financed to the extent possible out of budgetary savings; failing this, out of the credit under this item; and after exhaustion of this credit, by a withdrawal from the Working Capital Fund.

### Part III: Working Capital Fund

**330.** The Working Capital Fund is established for the following purposes, as defined in article 19(1) of the Financial Regulations:

- (a) to finance budgetary expenditure pending receipt of contributions or other income; and
- (b) in exceptional circumstances and subject to prior authorization of the Governing Body, to provide advances to meet contingencies and emergencies.

**331. *Level of the Working Capital Fund:*** The level of the Working Capital Fund was set at CHF35 million on 1 January 1993 by the International Labour Conference at its 80th Session (June 1993).

**332. *Refund of withdrawals:*** Under the provisions of article 21.2 of the Financial Regulations, any withdrawals from the Working Capital Fund to finance budgetary expenditure pending the receipt of contributions shall be reimbursed from arrears of contributions received. However, where the withdrawal was used to finance expenditure incurred in respect of contingencies or emergencies under prior authorization of the Governing Body, it shall be reimbursed from an additional assessment on member States. It is expected that no provision will be necessary under this part of the budget in 2018–19.

### Part IV: Institutional investments and extraordinary items

**333.** Provision is made under this item to cover institutional investments for which resources are not provided under Part I of the budget.

**334.** In accordance with the long-term strategy for the financing of future periodic refurbishment and

renovation of ILO buildings approved by the Governing Body at its 310th Session (March 2011), a provision of some \$3.43 million has been made towards the financing of the Building and Accommodation Fund for future periodic refurbishment and renovation of ILO buildings.



## Details of cost increases

	2016–17	2018–19 estimates in constant 2016–17 US dollars	Programme increases (decreases)		Cost increases (decreases)		Adjustment exchange rate 0.95 to 0.97 (CHF to US\$)		2018–19	% of total budget
	\$	\$	\$	%	\$	%	\$	%	\$	%
<b>PART I. ORDINARY BUDGET</b>										
<b>Governance organs</b>										
International Labour Conference	28 703 343	27 827 442	-875 901	-3.1%	100 544	0.4%	-488 134	-1.8%	27 439 852	3.5%
Governing Body	19 882 761	19 032 986	-849 775	-4.3%	-93 881	-0.5%	-314 353	-1.7%	18 624 752	2.4%
Major Regional Meetings	2 408 573	2 644 186	235 613	9.8%	-7 799	-0.3%	-31 249	-1.2%	2 605 138	0.3%
Office of the Legal Adviser	3 762 601	3 762 481	-120	0.0%	1 515	0.0%	-49 184	-1.3%	3 714 812	0.5%
	<b>54 757 278</b>	<b>53 267 095</b>	<b>-1 490 183</b>	<b>-2.7%</b>	<b>379</b>	<b>0.0%</b>	<b>-882 920</b>	<b>-1.7%</b>	<b>52 384 554</b>	<b>6.7%</b>
<b>Policy</b>										
International Labour Standards	25 578 578	25 968 527	389 949	1.5%	4 516	0.0%	-368 812	-1.4%	25 604 231	3.3%
Employment Policy	22 012 485	22 084 310	71 825	0.3%	-83 594	-0.4%	-304 150	-1.4%	21 696 566	2.8%
Enterprises	16 815 269	16 910 860	95 591	0.6%	-36 683	-0.2%	-234 562	-1.4%	16 639 615	2.1%
Sectoral Policies	12 895 395	13 304 904	409 509	3.2%	-92 628	-0.7%	-178 802	-1.3%	13 033 474	1.7%
Governance and Tripartism	29 120 803	29 259 814	139 011	0.5%	-175 288	-0.6%	-406 668	-1.4%	28 677 858	3.7%
Conditions of Work and Equality	22 592 470	22 651 613	59 143	0.3%	-68 427	-0.3%	-310 071	-1.4%	22 273 115	2.8%
Social Protection	11 051 155	11 253 664	202 509	1.8%	-5 806	-0.1%	-149 265	-1.3%	11 098 593	1.4%
Research and Knowledge	19 641 522	20 327 783	686 261	3.5%	-15 947	-0.1%	-280 686	-1.4%	20 031 150	2.6%
Statistics	13 315 322	13 967 565	652 243	4.9%	-13 075	-0.1%	-195 725	-1.4%	13 758 765	1.8%
Technical Meetings Reserve	398 642	637 642	239 000	60.0%	-43 094	-6.8%	-12 243	-1.9%	582 305	0.1%
Deputy Director-General's Office	3 467 987	3 468 307	320	0.0%	14 147	0.4%	-46 522	-1.3%	3 435 932	0.4%
Regular Budget Technical Cooperation	6 444 736	6 444 736	0	0.0%	51 109	0.8%	0	0.0%	6 495 845	0.8%
	<b>183 334 364</b>	<b>186 279 725</b>	<b>2 945 361</b>	<b>1.6%</b>	<b>-464 770</b>	<b>-0.2%</b>	<b>-2 487 506</b>	<b>-1.3%</b>	<b>183 327 449</b>	<b>23.4%</b>

	2016–17	2018–19 estimates in constant 2016–17 US dollars	Programme increases (decreases)		Cost increases (decreases)		Adjustment exchange rate 0.95 to 0.97 (CHF to US\$)		2018–19	% of total budget
	\$	\$	\$	%	\$	%	\$	%	\$	%
<b>Field Operations and Partnerships</b>										
Multilateral Cooperation	8 377 252	7 959 708	-417 544	-5.0%	-165 837	-2.1%	-86 266	-1.1%	7 707 605	1.0%
Partnerships and Field Support	5 653 933	5 399 825	-254 108	-4.5%	-4 703	-0.1%	-77 196	-1.4%	5 317 926	0.7%
Programmes in Africa	80 234 346	80 594 255	359 909	0.4%	-2 341 857	-2.9%	-482 529	-0.6%	77 769 869	9.9%
Programmes in the Americas	64 466 157	64 605 653	139 496	0.2%	-398 093	-0.6%	-379 845	-0.6%	63 827 715	8.1%
Programmes in Arab States	18 682 864	18 811 338	128 474	0.7%	-108 075	-0.6%	-121 278	-0.6%	18 581 985	2.4%
Programmes in Asia and the Pacific	70 793 922	71 037 267	243 345	0.3%	-382 274	-0.5%	-437 323	-0.6%	70 217 670	9.0%
Programmes in Europe and Central Asia	25 080 002	25 639 071	559 069	2.2%	-751 530	-2.9%	-188 207	-0.7%	24 699 334	3.1%
International Training Centre of the ILO, Turin	8 240 286	8 240 286	0	0.0%	190 079	2.3%	-86 911	-1.1%	8 343 454	1.1%
South–South and Triangular Cooperation	1 771 790	1 771 790	0	0.0%	14 051	0.8%	0	0.0%	1 785 841	0.2%
Deputy Director-General's Office	2 197 168	2 513 568	316 400	14.4%	16 335	0.6%	-35 784	-1.4%	2 494 119	0.3%
	<b>285 497 720</b>	<b>286 572 761</b>	<b>1 075 041</b>	<b>0.4%</b>	<b>-3 931 904</b>	<b>-1.4%</b>	<b>-1 895 339</b>	<b>-0.7%</b>	<b>280 745 518</b>	<b>35.8%</b>
<b>Employers' and workers' organizations</b>										
Employers' activities	9 435 064	10 435 064	1 000 000	10.6%	-9 475	-0.1%	-102 034	-1.0%	10 323 555	1.3%
Workers' activities	21 478 517	21 478 517	0	0.0%	-28 459	-0.1%	-208 323	-1.0%	21 241 735	2.7%
	<b>30 913 581</b>	<b>31 913 581</b>	<b>1 000 000</b>	<b>3.2%</b>	<b>-37 934</b>	<b>-0.1%</b>	<b>-310 357</b>	<b>-1.0%</b>	<b>31 565 290</b>	<b>4.0%</b>
<b>Management and Reform</b>										
<b>Support services</b>										
Internal Services and Administration	49 625 017	48 272 365	-1 352 652	-2.7%	2 305	0.0%	-41 544	-0.1%	48 233 126	6.2%
Information and Technology Management	47 879 466	47 882 137	2 671	0.0%	100 139	0.2%	-267 095	-0.6%	47 715 181	6.1%
Official Meetings, Documentation and Relations	18 761 176	18 348 405	-412 771	-2.2%	236 729	1.3%	-907 114	-4.9%	17 678 020	2.3%
Communications and Public Information	15 896 359	14 315 629	-1 580 730	-9.9%	280 149	2.0%	-680 172	-4.8%	13 915 606	1.8%
Procurement	2 921 130	2 921 494	364	0.0%	21 394	0.7%	-211 979	-7.3%	2 730 909	0.3%
	<b>135 083 148</b>	<b>131 740 030</b>	<b>-3 343 118</b>	<b>-2.5%</b>	<b>640 716</b>	<b>0.5%</b>	<b>-2 107 904</b>	<b>-1.6%</b>	<b>130 272 842</b>	<b>16.6%</b>



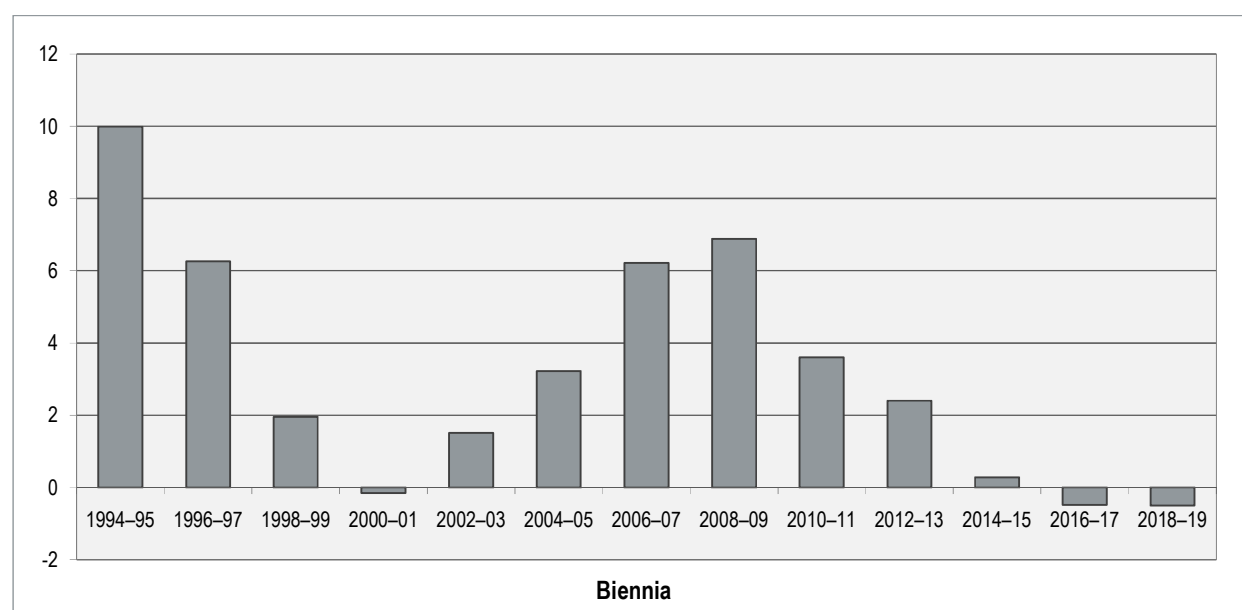
	2016–17	2018–19 estimates in constant 2016–17 US dollars	Programme increases (decreases)		Cost increases (decreases)		Adjustment exchange rate 0.95 to 0.97 (CHF to US\$)		2018–19	% of total budget
	\$	\$	\$	%	\$	%	\$	%	\$	%
<b>Management services</b>										
Human Resources Development	24 163 112	24 634 977	471 865	2.0%	118 394	0.5%	-406 126	-1.6%	24 347 245	3.1%
Financial Management	16 745 039	15 948 174	-796 865	-4.8%	90 630	0.6%	-250 635	-1.6%	15 788 169	2.0%
Strategic Programming and Management	4 874 183	4 806 527	-67 656	-1.4%	1 751	0.0%	-67 547	-1.4%	4 740 731	0.6%
Deputy Director-General's Office	2 464 242	2 464 456	214	0.0%	14 072	0.6%	-34 118	-1.4%	2 444 410	0.3%
	<b>48 246 576</b>	<b>47 854 134</b>	<b>-392 442</b>	<b>-0.8%</b>	<b>224 847</b>	<b>0.5%</b>	<b>-758 426</b>	<b>-1.6%</b>	<b>47 320 555</b>	<b>6.0%</b>
<b>Office of the Director-General</b>	7 192 173	7 192 868	695	0.0%	10 742	0.1%	-111 432	-1.5%	7 092 178	0.9%
<b>Oversight and evaluation</b>										
Internal Audit and Oversight	2 783 755	3 101 658	317 903	11.4%	-5 537	-0.2%	-44 766	-1.4%	3 051 355	0.4%
Independent Oversight Advisory Committee	514 707	638 762	124 055	24.1%	-10 730	-1.7%	-7 689	-1.2%	620 343	0.1%
External audit costs	1 385 000	1 067 400	-317 600	-22.9%	0	0.0%	0	0.0%	1 067 400	0.1%
Ethics function	224 968	304 987	80 019	35.6%	1 166	0.4%	-4 650	-1.5%	301 503	0.0%
Evaluation	3 084 032	3 084 301	269	0.0%	-10 366	-0.3%	-43 269	-1.4%	3 030 666	0.4%
	<b>7 992 462</b>	<b>8 197 108</b>	<b>204 646</b>	<b>2.6%</b>	<b>-25 467</b>	<b>-0.3%</b>	<b>-100 374</b>	<b>-1.2%</b>	<b>8 071 267</b>	<b>1.0%</b>
<b>Other Budgetary Provisions</b>	46 566 959	46 566 959	0	0.0%	-527 319	-1.1%	-581 928	-1.2%	45 457 712	5.8%
<b>Adjustment for Staff Turnover</b>	-6 523 126	-6 523 126	0	0.0%	13 220	-0.2%	89 527	-1.4%	-6 420 379	-0.8%
<b>TOTAL PART I.</b>	<b>793 061 135</b>	<b>793 061 135</b>	<b>0</b>	<b>0.0%</b>	<b>-4 097 490</b>	<b>-0.5%</b>	<b>-9 146 659</b>	<b>-1.2%</b>	<b>779 816 986</b>	<b>99.5%</b>

	2016–17	2018–19 estimates in constant 2016–17 US dollars	Programme increases (decreases)		Cost increases (decreases)		Adjustment exchange rate 0.95 to 0.97 (CHF to US\$)		2018–19	% of total budget
	\$	\$	\$	%	\$	%	\$	%	\$	%
<b>PART II. UNFORESEEN EXPENDITURE</b>										
Unforeseen expenditure	875 000	875 000	0	0.0%	0	0.0%	0	0.0%	875 000	0.1%
<b>PART III. WORKING CAPITAL FUND</b>										
Working Capital Fund	0	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%
<b>TOTAL (PARTS I–III)</b>	<b>793 936 135</b>	<b>793 936 135</b>	<b>0</b>	<b>0.0%</b>	<b>-4 097 490</b>	<b>-0.5%</b>	<b>-9 146 659</b>	<b>-1.2%</b>	<b>780 691 986</b>	<b>99.6%</b>
<b>PART IV. INSTITUTIONAL INVESTMENTS AND EXTRAORDINARY ITEMS</b>										
Accommodation	3 453 865	3 453 865	0	0.0%	38 964	1.1%	-64 815	-1.9%	3 428 014	0.4%
<b>TOTAL PART IV</b>	<b>3 453 865</b>	<b>3 453 865</b>	<b>0</b>	<b>0.0%</b>	<b>38 964</b>	<b>1.1%</b>	<b>-64 815</b>	<b>-1.9%</b>	<b>3 428 014</b>	<b>0.4%</b>
<b>TOTAL (PARTS I–IV)</b>	<b>797 390 000</b>	<b>797 390 000</b>	<b>0</b>	<b>0.0%</b>	<b>-4 058 526</b>	<b>-0.5%</b>	<b>-9 211 474</b>	<b>-1.2%</b>	<b>784 120 000</b>	<b>100.0%</b>

**335.** This Information Annex provides details on the methodology used for calculating the cost increases for 2018–19. In approving successive programme and budgets, the International Labour Conference has recognized the need to incorporate adjustments (both increases and

decreases) to the constant dollar budget to ensure that sufficient funding is available to maintain the desired level of service to constituents. Figure A2-1 provides a summary of approved cost increase percentages for recent biennia.

**Figure A2-1. Cost increase percentage included in the biennial budgets**



## Basis for calculation of cost increases

**336.** The ILO uses a zero budget basis in each budget cycle for determining a baseline of all operational costs anticipated in the future biennium. The strategic and operational budgets are initially developed at constant cost rates to allow comparability of the approved 2016–17 budget with the budget for 2018–19.

**337.** An analysis is undertaken by cost component of the expenditures incurred during the current biennium, including a review of previously forecasted cost increases, of cost structures and of any anticipated changes in cost drivers. In conjunction with this, an analysis is undertaken of the geographic distribution of both current expenditure and of expected future expenditure as inflation varies significantly between and within regions where the ILO operates. The projected percentage increases are applied to the 2018–19 budget for each corresponding object of expenditure and geographical location.

**338.** The budget projections make extensive use of verifiable and independent forecast data on consumer price indices and published data of authoritative bodies such as the International Civil

Service Commission, the IMF and central banks. Where the available inflation forecasts do not cover the full period of the budget, these forecasts are extrapolated for the 2018–19 biennium based on the latest available data and predicted trends made available by economic institutions. A review is also undertaken to determine the dollar equivalent of cost and price movements in local currencies since the last budget was adopted.

**339.** For Swiss-based expenditure items, the ILO has used average annual inflation forecasts issued by the Swiss National Bank for 2017, 2018 and 2019, which respectively are 0.1 per cent, 0.5 per cent and 1.25 per cent. Unless otherwise disclosed, average annual inflation rates have been used to calculate cost increases for 2017–19.

**340.** The principal source of inflation estimates for field locations is IMF data. For these locations, the latest 2016 costs are adjusted for estimated inflation in 2017, 2018, and 2019 and take account of changes in the rate of exchange between the local currency and the US dollar. The annual rates of cost increase vary considerably between and within regions. Table A2-1 shows the projected average annual rate for each region, in dollar terms.

**Table A2-1. 2018–19 projected average annual inflation rates by region**

Region	% increase
Africa	2.4
Americas	2.9
Arab States	3.5
Asia and the Pacific	2.4
Europe	1.9

**341.** The application of zero-based budgeting to cost increases compares previously predicted cost increase with actual expenditure. This realigns the budget for each location and expenditure type for the new period. In general, it has been possible to offset forecasted inflation for 2017, 2018 and 2019 as a result of the lower than anticipated rates of inflation included in the Programme and Budget for 2016–17.

**342.** Table A2–2 summarizes the cost adjustments for 2018–19 by object of expenditure across the Office. The adjustments amount to a net reduction of some \$4.1 million, equivalent to an average rate of -0.5 per cent for the 2018–19 biennium.

**Table A2-2. 2018–19 cost adjustments by object of expenditure (2016–17 US dollars)**

Object of expenditure	Budget (in constant US dollars)	Cost adjustments	Biennial % adjustment
Staff costs	557 981 025	-4 205 638	-0.8
Travel on official business	17 050 818	-1 276 877	-7.5
Contractual services	29 061 956	149 822	0.5
General operating expenses	63 795 300	1 125 007	1.8
Supplies and materials	2 999 767	-42 476	-1.4
Furniture and equipment	4 350 428	19 607	0.5
Loan amortization for HQ building	7 794 316	0	0.0
Fellowships, grants and RBTC	75 794 091	560 811	0.7
Other costs	38 562 299	-388 782	-1.0
<b>Total</b>	<b>797 390 000</b>	<b>-4 058 526</b>	<b>-0.5</b>

## Staff costs

**343.** Staff costs account for some 70 per cent of the overall expenditure budget and the cost decrease of US\$4.2 million (-0.8 per cent) constitutes the largest change in absolute terms. The staff cost decreases for 2018–19 reflect the rebasing of staff costs to current levels.

**344.** Staff costs comprise:

- all officials who are budgeted at differentiated standard costs, described more fully below; and
- interpreters, committee secretaries and short-term Conference staff, where the provision for cost increase is in line with that provided for Professional and General Service staff at headquarters and agreements with the International Association of Conference Interpreters.

## Staff calculated at standard costs

**345.** Changes in the elements of the standard costs are based on the latest salary-related policies

and decisions approved by the UN General Assembly under the recommendation of the ICSC for general application throughout the UN common system. As the ILO participates in the UN common system of salaries and allowances, the Office has an obligation to apply any such statutory increases.

**346.** The 2018–19 standard costs are based on the actual costs incurred in 2016 by each grade, with appropriate estimates for expected trends of inflation, changes in staff entitlements, and the movement and overall composition of staff. On average, standard costs for 2018–19 are forecasted to decrease by 0.8 per cent.

**347. Professional category:** The Office has implemented the package of reforms approved by the General Assembly of the United Nations for Professional Staff resulting in cost decreases as previously announced to the Governing Body. Changes in Professional salaries arise in part from exchange rate fluctuations and movements in the cost of living as determined by the ICSC and reflected in the post adjustment. Provision has been made for increases in post adjustment at the general rate of inflation for Geneva-based staff.

Post adjustment rates in field locations are also determined by the ICSC and reflect relevant cost-of-living adjustments and the relationship between the local currency and the US dollar.

**348. General Service category:** Estimates for Geneva inflation as indicated in paragraph 339 have been included in the salary projection for General Service staff. While inflation was low in 2015–16, the provision made for statutory adjustments was underestimated.

**349.** For field-based General Service staff the most recent salary scales at each location have been used, with provisions and adjustments made to allow for estimated inflation in US dollar terms.

## Non-staff costs

### Travel on official business

**350.** Net reductions have been applied against airline ticket costs and DSA rates in dollar terms to reflect changes in ticket prices on frequently travelled routes and changes in ICSC-promulgated daily subsistence allowance (DSA) rates in the different locations in which the ILO operates.

### General operating expenses

**351. Utilities:** Although fuel prices remain volatile and uncertain, a decrease of some 24 per cent has been incorporated into budgetary estimates for 2018–19. In Geneva, an increase of 1.3 per cent for water and a decrease of some 9 per cent for electricity supply have been incorporated in the estimates. For field locations, it is assumed that water and electricity rates will increase at the local rate of inflation as per the IMF forecast.

**352. Rent:** Provisions have been made to cover contractual increases for rent and increased costs following relocations for security or other reasons.

## Supplies and materials

**353.** Books, periodicals and other subscriptions have increased in cost by an annual average of 0.6 per cent.

### Fellowships, grants and regular budget technical cooperation

**354.** Regular budget technical cooperation (RBTC) has both field and headquarters components. Forecasted cost increases have been based on location inflation rates resulting in an average increase of 0.8 per cent. The contribution to the Inter-American Centre for Knowledge Development in Vocational Training (CINTERFOR) has been increased by 9 per cent per annum to reflect local inflation forecasts in dollar terms in Uruguay. The biennial contribution to the Turin Centre has been increased by 1.53 per cent per annum to reflect local inflation forecasts in dollar terms in Italy.

### Other non-staff costs

**355.** All other non-staff costs have been adjusted in line with the average annual inflation rates applying to the relevant geographical area.

## Other budgetary items

**356.** Other budgetary items include contributions to joint administrative activities within the UN system (for example, the ICSC, the High-Level Committee on Management, the United Nations System Chief Executives Board for Coordination, the UN Joint Inspection Unit and the UN Resident Coordinator system) and for after-service health insurance. The budget estimates are based on latest information provided by the various bodies, the general rate of assumed inflation in their location and are modified to reflect any changes in the basis of apportionment of the costs between participating agencies.





# Operational budget by item and object of expenditure

	1	2	3	4	5	6	7	8	9	
	Staff costs	Travel on official business	Contractual services	General operating expenses	Supplies and materials	Furniture and equipment	Loan amortization for HQ building	Fellowships, grants and RBTC	Other budgetary items	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
<b>PART I. ORDINARY BUDGET</b>										
<b>Governance organs</b>										
International Labour Conference	22 531 612	52 868	1 273 908	3 482 528	78 087	11 111	-	9 738	-	27 439 852
Governing Body	14 473 256	2 496 083	354 417	1 258 737	31 479	10 780	-	-	-	18 624 752
Major Regional Meetings	1 839 326	313 518	198 579	249 215	3 352	1 148	-	-	-	2 605 138
Office of the Legal Adviser	3 596 036	19 505	48 684	2 965	-	-	-	47 622	-	3 714 812
<b>Total Governance organs</b>	<b>42 440 230</b>	<b>2 881 974</b>	<b>1 875 588</b>	<b>4 993 445</b>	<b>112 918</b>	<b>23 039</b>	<b>-</b>	<b>57 360</b>	<b>-</b>	<b>52 384 554</b>
<b>Policy</b>										
International Labour Standards	23 634 753	627 293	892 632	1 838	-	21 910	-	425 805	-	25 604 231
Employment Policy	18 531 226	560 983	1 613 215	84 848	19 641	67 078	-	819 575	-	21 696 566
Enterprises	13 739 520	512 313	1 965 235	-	-	1 053	-	421 494	-	16 639 615
Sectoral Policies	10 320 010	80 570	564 590	35 828	-	-	-	2 032 476	-	13 033 474
Governance and Tripartism	25 088 763	1 250 400	1 134 485	115 239	37 740	71 075	-	980 156	-	28 677 858
Conditions of Work and Equality	20 051 781	372 180	1 038 761	30 618	16 096	14 137	-	749 542	-	22 273 115
Social Protection	10 796 841	38 530	81 322	-	-	-	-	181 900	-	11 098 593
Research and Knowledge	18 533 241	245 300	653 813	29 026	128 454	63 507	-	377 809	-	20 031 150
Statistics	12 625 375	317 262	330 278	16 587	7 311	19 608	-	442 344	-	13 758 765
Technical Meetings Reserve	-	578 496	3 809	-	-	-	-	-	-	582 305
Deputy Director-General's Office	3 155 268	179 792	29 427	12 847	1 988	8 177	-	48 433	-	3 435 932
Regular Budget Technical Cooperation	-	-	-	-	-	-	-	6 495 845	-	6 495 845
<b>Total Policy</b>	<b>156 476 778</b>	<b>4 763 119</b>	<b>8 307 567</b>	<b>326 831</b>	<b>211 230</b>	<b>266 545</b>	<b>-</b>	<b>12 975 379</b>	<b>-</b>	<b>183 327 449</b>
<b>Field Operations and Partnerships</b>										
Multilateral Cooperation	6 066 592	191 300	303 803	855 229	15 125	14 152	-	261 404	-	7 707 605
Partnerships and Field Support	5 023 757	64 984	87 868	14 823	-	11 760	-	114 734	-	5 317 926

	1	2	3	4	5	6	7	8	9	
	Staff costs	Travel on official business	Contractual services	General operating expenses	Supplies and materials	Furniture and equipment	Loan amortization for HQ building	Fellowships, grants and RBTC	Other budgetary items	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Programmes in Africa	50 189 515	1 383 830	1 685 546	11 545 717	358 408	510 856	-	10 339 750	1 756 247	77 769 869
Programmes in the Americas	44 348 485	1 466 846	1 207 960	6 498 475	197 246	211 075	-	9 157 312	740 316	63 827 715
Programmes in Arab States	13 393 865	399 132	280 056	1 265 824	102 648	34 339	-	2 817 253	288 868	18 581 985
Programmes in Asia and the Pacific	49 815 671	1 304 799	1 954 580	8 143 761	293 260	176 657	-	7 821 210	707 732	70 217 670
Programmes in Europe and Central Asia	19 587 644	303 091	296 145	1 501 569	-	44 927	-	2 236 917	729 041	24 699 334
International Training Centre of the ILO, Turin	-	-	-	-	-	-	-	8 343 454	-	8 343 454
South–South and Triangular Cooperation	-	-	-	-	-	-	-	1 785 841	-	1 785 841
Deputy Director-General's Office	2 335 720	90 079	12 457	15 913	2 887	6 863	-	30 200	-	2 494 119
<b>Total Field Operations and Partnerships</b>	<b>190 761 249</b>	<b>5 204 061</b>	<b>5 828 415</b>	<b>29 841 311</b>	<b>969 574</b>	<b>1 010 629</b>	<b>-</b>	<b>42 908 075</b>	<b>4 222 204</b>	<b>280 745 518</b>
<b>Employers' and workers' organizations</b>										
Employers' Activities	6 927 612	282 555	93 290	-	-	10 888	-	3 009 210	-	10 323 555
Workers' Activities	13 237 920	687 289	532 715	-	-	4 168	-	6 779 643	-	21 241 735
<b>Total Employers' and Workers' Organizations</b>	<b>20 165 532</b>	<b>969 844</b>	<b>626 005</b>	<b>-</b>	<b>-</b>	<b>15 056</b>	<b>-</b>	<b>9 788 853</b>	<b>-</b>	<b>31 565 290</b>
<b>Management and Reform</b>										
<b>Support Services</b>										
Internal Services and Administration	26 550 468	177 023	1 503 924	18 043 108	490 609	112 341	-	724 507	-	47 601 980
Information and Technology Management	27 753 510	221 282	6 166 905	9 120 875	930 100	2 798 367	-	491 075	-	47 482 114
Official Meetings, Documentation and Relations	17 030 947	36 880	432 705	83 564	2 086	6 403	-	588 864	-	18 181 449
Communications and Public Information	12 486 372	194 170	986 506	87 945	117 376	56 596	-	196 079	-	14 125 044
Procurement	2 761 675	22 031	-	14 348	-	3 555	-	80 646	-	2 882 255
<b>Total Support Services</b>	<b>86 582 972</b>	<b>651 386</b>	<b>9 090 040</b>	<b>27 349 840</b>	<b>1 540 171</b>	<b>2 977 262</b>	<b>-</b>	<b>2 081 171</b>	<b>-</b>	<b>130 272 842</b>

	1	2	3	4	5	6	7	8	9	
	Staff costs	Travel on official business	Contractual services	General operating expenses	Supplies and materials	Furniture and equipment	Loan amortization for HQ building	Fellowships, grants and RBTC	Other budgetary items	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
<b>Management Services</b>										
Human Resources Development	19 483 142	149 558	552 252	950 011	7 333	8 595	-	3 196 354	-	24 347 245
Financial Management	15 291 663	69 067	112 385	61 958	401	-	-	252 695	-	15 788 169
Strategic Programming and Management	4 618 131	29 269	16 246	3 000	-	7 749	-	66 336	-	4 740 731
Deputy Director-General's Office	2 162 345	108 063	135 299	13 924	-	-	-	24 779	-	2 444 410
<b>Total Management Services</b>	<b>41 555 281</b>	<b>355 957</b>	<b>816 182</b>	<b>1 028 893</b>	<b>7 734</b>	<b>16 344</b>	<b>-</b>	<b>3 540 164</b>	<b>-</b>	<b>47 320 555</b>
<b>Office of the Director-General</b>	5 700 055	528 593	58 692	688 956	18 505	16 845	-	80 532	-	7 092 178
<b>Oversight and evaluation</b>										
Internal audit and oversight	2 803 118	30 583	148 251	26 169	-	8 259	-	34 975	-	3 051 355
Independent Oversight Advisory Committee	313 898	153 290	149 375	-	-	-	-	3 780	-	620 343
External audit costs	-	-	1 067 400	-	-	-	-	-	-	1 067 400
Ethics function	159 780	-	139 401	-	-	-	-	2 322	-	301 503
Evaluation	2 270 160	69 151	660 380	-	-	-	-	30 975	-	3 030 666
<b>Total Oversight and Evaluation</b>	<b>5 546 956</b>	<b>253 024</b>	<b>2 164 807</b>	<b>26 169</b>	<b>-</b>	<b>8 259</b>	<b>-</b>	<b>72 052</b>	<b>-</b>	<b>8 071 267</b>
<b>Other Budgetary Provisions</b>	3 839 254	4 706	122 533	4 406	63 054	-	7 633 608	1 050 738	32 739 413	45 457 712
<b>Adjustment for Staff Turnover</b>	-6 420 379	-	-	-	-	-	-	-	-	-6 420 379
<b>TOTAL PART I</b>	<b>546 647 928</b>	<b>15 612 664</b>	<b>28 889 829</b>	<b>64 259 851</b>	<b>2 923 186</b>	<b>4 333 979</b>	<b>7 633 608</b>	<b>72 554 324</b>	<b>36 961 617</b>	<b>779 816 986</b>
<b>PART II. UNFORESEEN EXPENDITURE</b>										
Unforeseen expenditure	-	-	-	-	-	-	-	-	875 000	875 000
<b>Part III. WORKING CAPITAL FUND</b>										
Working Capital Fund	-	-	-	-	-	-	-	-	-	-
<b>TOTAL PARTS I-III</b>	<b>546 647 928</b>	<b>15 612 664</b>	<b>28 889 829</b>	<b>64 259 851</b>	<b>2 923 186</b>	<b>4 333 979</b>	<b>7 633 608</b>	<b>72 554 324</b>	<b>37 836 617</b>	<b>780 691 986</b>

	1	2	3	4	5	6	7	8	9	Total
	Staff costs	Travel on official business	Contractual services	General operating expenses	Supplies and materials	Furniture and equipment	Loan amortization for HQ building	Fellowships, grants and RBTC	Other budgetary items	
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
<b>PART IV. INSTITUTIONAL INVESTMENTS AND EXTRAORDINARY ITEMS</b>										
Accommodation	-	-	-	-	-	-	-	3 428 014	-	3 428 014
<b>TOTAL PART IV</b>	-	-	-	-	-	-	-	<b>3 428 014</b>	-	<b>3 428 014</b>
<b>TOTAL (PARTS I-IV)</b>	<b>546 647 928</b>	<b>15 612 664</b>	<b>28 889 829</b>	<b>64 259 851</b>	<b>2 923 186</b>	<b>4 333 979</b>	<b>7 633 608</b>	<b>75 982 338</b>	<b>37 836 617</b>	<b>784 120 000</b>

## Summary of regular budget technical cooperation resources

	2018–19	2018–19
	(in constant 2016–17 US\$)	(recosted (US\$))
Policy	6 444 736	6 495 845
Programmes in Africa	9 018 240	9 089 758
Programmes in the Americas	5 495 875	5 539 459
Programmes in Arab States	2 493 902	2 513 680
Programmes in Asia and the Pacific	6 493 678	6 545 175
Programmes in Europe and Central Asia	1 645 153	1 658 200
South–South and Triangular Cooperation	1 771 790	1 785 841
Employers' activities	2 896 705	2 919 677
Workers' activities	5 739 381	5 784 896
	<b>41 999 460</b>	<b>42 332 531</b>