

“Written comments by Mthunzi Mdwaba on behalf of the Employers’ group

GB.340/PFA/5: 2018-19 Programme Implementation Report

The Office should pursue its efforts to address the Employers’ Group requests expressed during GB.332:

- Improved comparative analysis of the results against the programme and budget for the policy outcomes;
- Improved analysis, giving meaning to quantitative measurements through stronger narratives on trends, changes and impact;
- Improved financial analysis and clarity on how approved budgets were moved around;
- Concrete substantiation of unmeasurable expressions and the removal of analytical narratives that articulated policy directions not endorsed by the tripartite constituents.

With regard to financial data and expenditure, we repeatedly asked for an implementation report that compares the strategic budget with the actual expenditure. The PIR for 2018-19 shows positive improvements, in particular by providing this comparison by policy outcome. However, further enhancements are needed:

- For the expenditure summaries, the PIR again does not distinguish the funds allocated under Outcome 10 to employers and workers; the next PIR should provide for the necessary separation so that the GB has an improved understanding of where and how ILO resources are channelled for social partners. If the expenditures for employers and workers were to be *“almost exactly the same”*, as stated by PROGRAM in the Office consultation on 19 October 2020, this does not mean that the disclosure of this information is not necessary and, in any case, it is for the GB to determine whether or not the breakdown is needed. We highlight however that the budget for workers is twice that of employers (P&B for 2018-19 notes that the operational budget for E is \$10 million and W is \$21 million; RBTC for E is \$2.9 million and W is \$5.7 million). The breakdown is also necessary for XBTC as there are likely to be large differences here too.
- For PIR 2020-21, the GB should not be provided with an aggregate figure of Outcome 1 as this outcome currently combines not only employers (output 1.1) and workers activities (output 1.2) but also labour administration (output 1.3) and social dialogue (output 1.4). Such aggregation would make it even more challenging to assess if adequate levels of resources were provided for social partners’ institutional capacity development.
- The total expenditure by policy outcome details that Outcome 1 not only had the largest RB resources but also the largest XBTC contributions and RBSA. Whilst appreciating the significance of the policy area, there is a stark imbalance of XBTC for Outcome 1 (\$154.4 million) when compared with other issues in need by constituents such as Outcome 6 on formalization (\$3.7 million) and Outcome 10 on social partners (\$6.1 million). Moreover, RBSA should be used where funding is needed the most and support areas that do not attract voluntary contributions. The Office should make efforts to support resource mobilization for under-funded policy outcomes, specifically Outcomes 6 and 10. Additionally, the Office should be narrowing the gap between donor interest versus constituents’ needs, specifically for programmes supported by XBTC.

With regard to organizational performance, the results do not appear to have a strong correlation with the level of allocated resources, for instance on Outcome 1: strategic XBTC was \$131 million whereas actuals were \$154 million. However, this substantial increase did not lead to a significant number of results. Outcome 1's results were above target by only 3 results. Outcome 2's XBTC was a near \$10 million higher than projected and was under target by 3 results. The Office should assess why substantial increase in real resources compared to what was originally planned are not resulting in more results as these trends appear to contradict results-based management principles.

In relations to the cross-cutting policy drivers (CCPD), despite standards as well as tripartism and social dialogue being the value-add of the ILO, the results that principally contribute to these are somewhat limited (ILS 16%, SD 7%). Further improvements should in particular be made for the CCPD on social dialogue for the current biennium.

On lessons learned, it is imperative to tap into the knowledge of constituents when generating research and knowledge. We fully support the statement that resources were *“more impactful when aligned with the priorities of the tripartite constituents”*. It is an absolute precondition for the Office to conduct consultations with constituents through ACT/EMP and ACTRAV when designing new programmes and projects. Finally, we further stress the imperative to raise and channel resources for the institutional capacity development of social partner organizations.

28 October 2020

**Governing Body – 340th Session, October-November 2020
Programme, Financial and Administrative Section
Programme, Financial and Administrative Segment**

Workers' Group Comments

DOCUMENT FOR BALLOT BY CORRESPONDENCE

GB.340/PFA/5

ILO programme implementation 2018-2019

The Workers' Group welcomed the structure of the 2016-2017 implementation report which reported achievements under the four strategic objectives allowing to get a good overview of progress towards decent work. The current report lists achievements per outcome which provides a more scattered overview of progress towards decent work. Regional analysis is also lacking.

The ILO's Centenary year was memorable with many activities that gave visibility to the ILO social justice mandate culminating in the adoption of the ILO Centenary Declaration. However, many decent work deficits remain which have been exacerbated by the Covid-19 pandemic. It is therefore essential that the ILO takes a leadership role in the multilateral system to promote decent work and social justice in the aftermath of the pandemic which has pushed millions of people into unemployment, underemployment and working poverty and exacerbated inequalities.

Challenges in strengthening the normative function should be more effectively addressed. Despite increased ratifications compared to previous years, and we thank all governments who did ratify, the Centenary Ratification Campaign¹ did not achieve its targets. 67 countries ratified 116 conventions but with uneven results across regions. Africa and Europe ratified the most, 20 and 21 countries respectively. In the Americas, Arab States and Asia, 7, 2 and 8 countries respectively ratified conventions. Only three countries – and we thank them - ratified core Conventions 87 (Iraq) or 98 (Mexico and Vietnam). Further ratifications of conventions particularly relevant to address the pandemic, with emphasis on occupational safety and health and universal ratification of core conventions is therefore needed.

Paragraph 97 and figure 21 show that 60% of results made a significant or principal contribution to International Labour Standards (ILS). However, 39% of results only made limited contributions to the advancement of ILS with uneven results across outcomes. 77% and 68% of results for Outcome 1 made a limited contribution to ILS. In times of crisis, standards provide an essential foundation for an inclusive and sustainable recovery. More resources are needed for this work along greater commitment to integrate ILS in all outcomes.

Similarly, 36% of the 844 results made limited contribution to social dialogue. It is positive that the rate was higher in outcomes relating to the promotion of safe work and workplace compliance, including in global supply chains (75%), international labour standards and the

¹ An invitation to all 187 ILO member States to ratify at least one international labour Convention in the course of 2019.

formalization of the informal economy (both at 70%). However, outcomes 1 and 4, where 46% and 45% of results made limited contributions to social dialogue respectively, need to improve.

We welcome the fact that a higher number of results made a significant contribution to gender equality and non-discrimination among workers in the most vulnerable situations. However, 47% of results made a limited contribution to the advancement of this driver and this also requires improvements.

93% of results had no or limited contribution to just transition to environmental sustainability. To ensure a sustainable recovery, this has to change and consideration given to have a separate outcome for this area of work and have it better mainstreamed in other outcomes.

We welcome increased allocations for voluntary contributions while regretting they have been uneven across outcomes. RBSA should also be allocated more evenly across outcomes. Outcome 2 received only 25% of RBSA compared to outcome 1 and should in the future receive more resources. We support greater resource mobilization efforts for outcomes supporting social dialogue, ILS and gender equality.

The next implementation report should look at how different results under each outcome are linked. In addition to listing results for each outcome in the report and the country listing in the Dashboard, it would be useful to re-introduce the reporting of achievements under the four strategic objectives (as in the previous implementation report). A report on decent work results for each region should be added along the four strategic objectives. While cases of progress can be referred in the report, it is important for the next report to also highlight those countries and situations where challenges remain.

Concerning extrabudgetary resources, we agree that greater efforts are needed to move towards broader programmes to enable the Office to provide assistance in a more integrated, coherent and strategic manner. The Office should also improve cross-departmental work on outcomes.

With these comments we agree with the decision point.

IMEC Statement
ILO programme implementation 2018-2019
GB/340/PFA/5

1. IMEC thanks the Office for the timely publication of the document and appreciates the hard work of those who contributed to the success of this programme during the implementation phase.
2. As ever, IMEC has taken a strong interest in the program implementation report. We welcome the detailed information on the outcomes, cross-cutting drivers and enabling outcomes, and appreciate in particular the higher level conclusions on the contribution of the ILO's work to the decent work agenda and the SDGs.
3. An extensive review of results by policy outcome leads to the observation that most, if not all, results presented seem to be at output level. Referring to policy outcome 1 as an example, 'more and better jobs for inclusive growth and improved youth employment prospects', the results presented are plans, strategies, policies, programmes and measures. Important as they may be, the real results should be measured at outcome level by how many 'more and better jobs' and 'improved youth employment prospects' resulted from the outputs (plans and programmes) and that were implemented.
4. In this respect, we welcome the acknowledgement made during pre-GB consultations that the implementation report does not demonstrate real world outcomes and impacts to the extent the Office would have liked. And we appreciate that work to improve the organisation's results based management continues. We look forward to seeing the fruits of this labour when we come to evaluate the implementation reports of the next biennia.
5. Regarding the cross-cutting policy drivers, we note with concern that almost half of the results on decent work had only a limited contribution to gender equality and non-discrimination. We note with even more concern that 93% of the results had no or only a limited contribution to the cross cutting policy driver on environmental sustainability. Although presented as significant progress compared to the previous reporting period (2016-17), we assume that this is an area of serious concern for the Office and one that will receive careful attention.
6. IMEC appreciates the information given in the chapter regarding lessons learned. We welcome the recognition that the ILO's development cooperation portfolio should be better aligned with the planned outcomes of the programme and budget, and the need for better integration of voluntary funding with the regular budget. We also agree that resource mobilisation efforts with respect to the generation of additional voluntary contributions (both earmarked as well as un-earmarked) to enable ILO to achieve even more (and better) results on the Decent Work agenda needs to be stepped up.

7. On a related note, IMEC appreciates the detailed information regarding budget, expenditures, and source of income. We would be interested in knowing if the data include any One UN funding or resources obtained through competitive bidding.
8. IMEC urges the Office to review and re-evaluate the reasons for the underperformance reported and to take measures to offset or to correct them. We note, for example, quite substantial gaps in policy outcome 5 - decent work in the rural economy and regionally in Africa. What, if any, are the lessons to be learned from this underperformance and what measures are being taken to improve results?
9. Recognising the importance of the ILO's role with respect to the response to the COVID crisis, it is ever more true that, as noted in the report, 'in order to advance decent work programmes, effective linkages and synergies need to be created that go beyond the usual government, labour and employment constituents only.' In addition to continuing and enhancing its cooperation with other UN, international and regional entities such as OECD, G20, G7, BRICs, we would like to see much greater institutional cooperation between the IFIs (particularly the World Bank) and the ILO.