



INTERNATIONAL TRAINING  
CENTRE OF THE ILO

CC72/4/b  
72<sup>nd</sup> Session

Board of the Centre

Turin, 4-5 November 2010

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## FOR INFORMATION

FOURTH ITEM ON THE AGENDA

### **Employers' Training Committee of the International Training Centre of the International Labour Organization**

**Report on the 28<sup>th</sup> meeting, held on June 9, 2010**

**(Geneva, Switzerland)**

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# **Summary Report on the 28<sup>th</sup> Meeting of the Employers' Training Committee**

**Held on June 9<sup>th</sup>, 2010  
International Labour Organization, Geneva**

**Members present:**

Mr. A. Moore  
Mr. C. Renique  
Mr. J-F. Retournard  
Ms. S. Tugschimeg

Mr. F. Eyraud  
Mr. A. Graziosi  
Mr. A. De Koster

**Members present to the preparatory meeting held in Geneva on 31 May 2010:**

Mr. A. Dahlan  
Mr. M'Kaissi  
Mr. A. Moore  
Mr. F. Muia  
Ms. A. Muñoz  
Mr. E. Oechslin  
Mr. P. O'Reilly  
Mr. C. Renique  
Ms. S. Tugschimeg

Mr. A. De Koster  
Ms. J. Schmitt  
Ms B. Maino

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## Executive summary

The Employers' Training Committee (ETC) reviewed the 2009 activities of the Employers' Activities Programme. It finds its performance excellent, both in quantity and quality.

The ETC approves the work plan for 2010. Given the additional resources mobilised by the Programme, which are able to offset the decline in Italian funding, it expresses the hope that further expansion of training activities will be achieved for the benefit of employers' constituents.

The ETC underlines, on the basis of the continuous growth in the past years, the high potential of the Programme, as well towards the employers' constituents as towards donors, and its return and benefits for the ITC ILO Centre as a whole.

It calls upon the management of the ITC ILO to seize the opportunities and to allocate more or at least the same financial and human resources to the Employers Programme in 2010-11 as in 2009, in order to enhance a stronger participation and training effort for the employers group, which, as full constituent of the ILO, should be at par with the participation of the other constituents to benefit from the capacity building efforts of ITC ILO. In particular, the Committee insists that the project post, with joint financing from the central ITC ILO resources and the Programme's projects will be stabilised for the next years.

The ETC urges the employers take the lead in the further development of training activities in the field of Corporate Social Responsibility (CSR); CSR, which is defined by the ILO as voluntary initiatives by companies, has to be approached in a way in which the employers' concerns and approaches are prevalent and which is relevant for the company audience.

The ETC requests that tripartism, which is a distinguishing feature of the ILO, remains central in the training activities; this requires more than assuring a tripartite audience; it requires an active input of the employers in course contents, and permanent needs analysis and awareness about the relevance of course contents for employers. Also this will require at least stabilization of the 3d post.

The ETC also expresses its concern about the future financing of the ITC ILO as a whole. It recalls the proposals of the social partners, made during the 2009 GB in Turin, the Officers of the Board meeting in January 2010 and the PFA Committee in March 2009, which reiterated the strong support of the social partners for a sustainable future for the ITC ILO.

The Employers' Committee urges the management to come timely with concrete proposals to address the budgetary challenges facing the centre in the short and medium term, and in which a balance is provided between measures which increase income and measures with cost savings. The ETC expresses his interest of being closely associated to the discussions on the future of ITC ILO.

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## Verbatim report of the meeting of 9 June 2010

### Opening remarks

1. *Mr C. Renique, Chairperson*, opened the meeting and presented the agenda. The Chairperson, in consideration of the time constraints, suggested to open with a brief presentation on the results obtained in 2009 and the expectations for 2010
2. *Mr A. De Koster, ACT/EMP Turin Programme Manager*, presented the results for 2009 underlining that in spite of a temporary diminution of staff resources (due to transfer of a professional post temporarily assigned since 2006 and maternity leave) the level of participants was kept and the programme was able to further increase quality, resulting the best at the Centre for the year 2009. Additionally the number of external sponsors has been increased thus confirming ACT/EMP Turin as a net contributor for the Centre. Lastly, since 2009 the web based platform for exchange of information and experience (Lempnet) is active and the programme is moving forward its first distance learning courses. The plans for 2010 are of further increase in spite of the difficult situation and reduction of Italian Voluntary contribution. The programme income is expected to grow also thanks to three projects funded by the European Union; the major one being the ProInvest project for building capacity for East African EOs together with two others respectively on International Framework Agreements and on EOs in the Temporary Agency Work. The programme has now reached a sufficient staff to implement activities but there is still need for stabilization.
3. *Mr Renique* remarked that the employers' participation has increased; this can be considered as a positive result, however there is still room for improvement especially by allocating additional resources.
4. *Mr F. Eyraud, Director of the Turin Centre*, noted that the ACT/EMP programme of the Turin Centre is now well established and well known. As regards resources, they have been maintained the same from 2009 to 2010, but the forecasts for 2011 is uncertain, as the ITCILO will try and work on projects more than on single courses.
5. *Mr Renique* drawn the attention to the main philosophy of the programme, which is the one of satisfaction, search for quality and continue effort towards new resources; however, he also underlined that there is a limit to the possibility of increasing external fund and a certain level of resources both in terms of funds and staff (three professionals) should be warranted in order to keep the path.
6. *Mr Eyraud*, assured that there was no intention to reduce the funding of the ACTEMP programme and that the human resources of the programme are now stable.
7. *Mr De Koster* took then the floor to report on the remarks of the ETC on the Corporate Social Responsibility (CSR), which constitute a strong political sign. According to the Committee, being the CSR a voluntary employers' initiative, ACT/EMP should be keeping a leading role on the related activities and initiatives, which is not always the case, considering that a specific programme has been created in this subject.

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8. *Mr Eyraud*, recalled the origins of the decision of creating a new ITCILO programme especially dealing with CSR and that the ACT/EMP programme has always been well informed and consulted.
  9. *Mr De Koster* agreed but he also stressed the importance of re-establishing the initial situation of employers' leadership in this field.
  10. *Mr Renique* pointed-out the Committee's strong request for a deeper employers' involvement on CSR, also indicating that this would not exclude other Centre's initiatives on the subject.
  11. *Mr Eyraud* informed that some funding will be made available for a CSR course and that ACTEMP shall play a role in organising it.
  12. *Mr A. Graziosi, Director of the Training Programmes* joined the discussion and agreed on the importance of increasing the visibility of employers' action on CSR. However he also stressed the political dimension of CSR within the ILO, where a debate is on-going on the subject. His recommendation was therefore to further involve the employers' sector, but to also ensure that the constituents' different perspectives be taken into account.
  13. *Mr A. Moore* took the floor to comment that that Turin Centre role in CSR is crucial, since a legalistic or standard-based approach of CSR would be in conflict with the voluntary nature of CSR and would risk to hamper the attractiveness of CSR actions for companies.
  14. *Mr J-F.Retournard, Director of the Bureau for Employers' Activities*, confirmed that an employers' led approach would be successful with companies while an approach based on "standards" would result more difficult to be accepted by this audience. A customized approach is recommended.
  15. *Mr Eyraud* agreed that the ITCILO course on CSR shall be a common effort among different programmes.
  16. *Mr Renique* concluded by underlining the employers' request to customize the CSR courses taking into consideration the companies' needs in terms of focus, perspective and duration.
  17. *Mr Renique gave then the floor to Mr Eyraud* on the second part of the agenda with a request to report on the state of affairs and possible sustainable solutions for the future of the Centre, following up on the suggestions emerged by the during social partners' initiatives in November 2009, the special meeting held in January 2010 and the Governing Body in March. As recently mentioned in a letter to the Centre's Director, the employers' group, he pointed out, is particularly concerned on the present situation and would like to be informed on possible solutions, proposal and timetable for the implementation of the review process in order to be able to make the necessary actions for sustainability of the Centre also in view of the foreseen reduction of the Italian Voluntary contribution before the Board in November.
  18. *Mr Eyraud*, informed that the review process put in place by the Office is an on-going process. A report will be issued and submitted to the DG. It has already produced some results of better integration with the ILO such as support from

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PROGRAM and FINANCE to allocate slippage funds to the Centre and to write off some reimbursements due by the Centre to the Office. This type of integration shall nevertheless be reinforced, which is also stated in the DG Programme Guidance Letter for 2012-2013. The final figures will surely appear in the Directors' Report submitted to the Board in November 2010. As concerns the Centre's financial sustainability, and adding to the ILO cooperation, the funding from extra-ILO sources has augmented (from 8 millions euros to 11 millions euros).

19. *Mr Moore* intervened by asking at what stage were the constituents, namely representatives of governments, trade unions and employers, involved in the review process.
20. *Mr Eyraud* replied that the constituents were not involved in this exercise, which was an internal one done by the Office.
21. *Mr Moore* then remarked the importance of sharing the results of the review process well before the Turin Centre Board. He stressed the need for increased efficiency and reduction in resources as a result of the financial crisis. This should be done, he said, keeping into that delivering of training is the frontline for the centre, therefore mainly the organization and the administration are suggested sectors to be streamlined.
22. *Mr Renique* clarified that the review was requested by the PFA-Committee, therefore it is acceptable for the social partners not to be involved in the exercise, provided that there is an immediate "translation" of the outcome to the PFA-C. Furthermore it would be logical in the light of a more integrated approach to fully share the outcome with the Board of the Centre.
23. *Mr Eyraud* replied that it is likely that the report will generate some recommendations.
24. *Mr Retournard* requested some clarifications on the terms agreed with the Office on the review process and in particular on the involvement of Turin.
25. *Mr Eyraud* explained that the report will mainly deal with possible measures that should improve the Centre's functioning.
26. *Mr Retournard* pointed out that since the budgeting and programming exercise is going on at the moment, the sharing of the review's conclusions might have a relevant impact. He remarked the evidence of a period of financial hard times for the ILO in general and therefore including Turin. In this situation it is recommended to act on the basis of different scenarios as may come out from the review.
27. *Mr Renique* wrapped-up and reconfirmed the request from the PFAC to have proposals coming out of the review and the necessity for the Board of the Centre to consider them.
28. *Mr Moore* appreciated that a timely share of information with the Board of the Centre will also help having a smoother discussion, given the considerations already made by the constituents as members of the Board of the Centre.

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29. *Mr Eyraud* explained that the Centre already reduced the number of short-term staff, that it was considering some cases of agreed termination, and that project-based contracts were only renewed according to the numbers of months covered by the project. One option could also be subcontracting the social life organisation.
  30. *Mr Retournard* identified a three folded situation with various on-going processes, namely the Turin review, the budgeting and programming exercise and the resource mobilization process with an increasing orientation towards the RBSA approach.
  31. *Mr Graziosi* noted that 2009 had been a successful year for the Centre despite the situation. This was mainly due to three factors: a). the return of recent investment in the development of new products; b). an increase in volume of ILO resources transferred to the Centre, partly as a result of increased ownership of the Centre's programmes by the Office; and c). an internal review and streamlining of ITCILO working processes (HR management, recovery of funds, repackaging of training offers). For 2010, some positive trends can already be noted, but two question marks remain to be addressed in a longer-term perspective, namely the level and continuity of Italian funds and funding mechanisms for the ITCILO within ILO/donor partnerships.
  32. *Mr Retournard* remarked that in case of necessity the cut in human resources should be done in a strategic way.
  33. An open debate followed on possibilities for saving (cost-reduction, agreed termination, mobility within the Office and the Centre, etc...) and on business models based solutions to overcome the actual stall situation also in terms.

## **Conclusions and closing remarks**

34. *Mr C. Renique* agreed with Mr Eyraud that he will consult the Office on the possible sharing of the results of the review exercise and called the meeting to a close.