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RESOLUTION CONCERNING THE STATUTE OF THE INTERNATIONAL CENTRE FOR ADVANCED TECHNICAL AND VOCATIONAL TRAINING, TURIN


The Governing Body,

Being convinced of the importance of human resources as a key factor in economic development and industrialisation and of the essential role played by basic and advanced technical and vocational training in this regard,

Considering that there is an urgent need to supplement facilities for basic and advanced vocational and technical training already available to developing countries,

Recalling that the International Labour Organisation has often repeated its intention of making, as a member of the United Nations family and in full cooperation with the United Nations, the Specialised Agencies and other organisations concerned, a steadily increasing contribution to the common task in the field of education and vocational training,

Considering that the International Labour Organisation by reason of its tripartite structure, is particularly qualified to give to this contribution the social and human framework which is essential to the development of advanced vocational and technical training,

DECIDES, without prejudice to the efforts which should be continued at the national or regional level, to establish in Turin an international centre for advanced technical and vocational training with the following statute:

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1 A change in the name of the Centre from “International Centre for Advanced Technical and Vocational Training” to “International Training Centre of the ILO” was approved by the Governing Body of the ILO at its 249th Session (February-March 1991, GB.249/205)
ARTICLE I²

Object and Functions

1. The object of the Centre shall be, in keeping with the principles set forth in the Preamble of the Constitution of the International Labour Organisation and in the Declaration of Philadelphia, to provide training activities at the service of economic and social development in accordance with, and through, the promotion of international labour standards. Its training activities, elaborated within the framework of the technical co-operation of the ILO, the United Nations system and other international organisations, are mainly addressed to people in senior positions in their member States.

2. The persons selected to follow courses at the Centre shall be chosen on the basis of their qualifications, regard being had to their aptitude and their ability to impart the training they acquire to the largest possible number of workers in their countries, by acting as instructors or in a similar capacity.

3. The training provided at the Centre shall be supplemented by training in undertakings in industrialised countries.

4. The languages of instruction shall, in principle, be English, French and Spanish.

5. The Centre may make arrangements with the United Nations and with Specialised Agencies and other international, intergovernmental or non-governmental organisations to pursue activities in conformity with the objectives of the Centre.

ARTICLE II

Character of the Centre

1. The Centre shall be a non-profit-making technical international body. Its teaching shall be objective and independent of any political or commercial considerations.

2. The Director and the staff of the Centre shall carry out their responsibilities as international civil servants. They shall respect the international character of the Centre and ensure that the teaching given therein is objective and independent.

3. In the performance of their duties, the Director and staff of the Centre shall neither request nor receive instructions from any government or from any other outside authority.

² As modified by the Governing Body of the ILO at its 249th Session (February-March 1991, GB.249/205).
ARTICLE III

The Board

1. There shall be a Board of the Centre, to be responsible for its general management. It shall submit an annual report on the activities of the Centre to the Governing Body of the International Labour Office.

2. The Board shall consist of:
   (a) the Director-General of the International Labour Office or, if he is unable to attend, the Deputy Director-General or one of the Assistant Directors-General;
   (b) a member appointed by the Italian Government, a member appointed by the City of Turin, the Chairman of the Regional Council of Piedmont (or his substitute) and the Chairman of the Unione Industriale di Torino (or his substitute);
   (c) twenty-four members appointed by the Governing Body of the International Labour Office from among its own members;
      - twelve from the Government group, including six from among the representatives of the ten members of the International Labour Organisation of chief industrial importance,
      - six from the Employers' group, and
      - six from the Workers' group;
      these members shall be appointed for terms of three years unless their membership of the Governing Body of the International Labour Office ends sooner;
   (d) (Deleted)
   (e) a member appointed by the Secretary-General of the United Nations, a member appointed by the Director-General of the United Nations Educational, Scientific and Cultural Organisation, a member appointed by the Executive Director of the United Nations Industrial Development Organisation and a member appointed by the Administrator of the United Nations Development Programme.

3. The Board shall meet in May of each year in Turin.

4. The Director-General of the International Labour Office or his representative shall be Chairman of the Board of the Centre. The Board shall elect, from among its members, three Vice-Chairmen, two of whom shall be selected respectively from among the Employer and Worker representatives of the Governing Body of the International Labour Office.

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3 It its 51st Session (Geneva, 5 November 1990) the Board of the Centre had decided: “to hold only one annual session in future, in May of each year in Turin, as from 1991”, and to “convene beforehand the committees on management and trade union training”. However, as from its 56th session (November 1994), the Board of the Centre has met in Turin in November of each year.
5. The Officers of the Board, consisting of the Chairman, the Vice-Chairmen, the representative of the Italian Government, the representative of the Secretary-General of the United Nations and the Director of the Centre, shall be empowered, to take decisions in the name of the Board each time the Officers consider that it is in the interest of good management of the Centre that a question referred to them between two sessions of the Board be settled without waiting for the next session of the Board, and that such question is not of sufficient importance to justify the convening of an extraordinary session of the Board. Every measure taken by virtue of this delegation is to be made the subject of a report for presentation to the Board on the occasion of its next session. 4

6. The Board and the Officers of the Board shall be convened by the Chairman of the Board.

7. The Board shall adopt its own rules of procedures.

8. The Board shall take its decisions by majority vote except as otherwise provided in its rules; provided that the Chairman shall have a casting vote whenever an equal number of votes are cast for and against any proposal.

9. The Director of the Centre shall be Secretary of the Board.

10. The Board shall adopt the budget on the basis of proposals submitted to it by the Director of the Centre. The budget shall then be communicated to the Governing Body of the International Labour Office for information.

11. The Board shall approve the general lines of the Programme of the Centre submitted to it by the Director.

ARTICLE IV

Programme Advisory Committee of the Board

ARTICLE V

Director and Staff

1. The Chairman of the Board shall appoint the Director of the Centre after consultation with the Officers.

2. The Director:

(a) shall be responsible for the administration of the Centre;

(b) shall select and appoint the staff of the Centre;

(c) shall be responsible for the selection of the fellows;

4 Decision to confer a more general mandate on the Officers of the Board was taken by the Board at its 54th Session (CC 54/Rep. May 1993) and approved by the GB of the ILO at its 256th Session (May 1993, GB.256).

5 At its 51st Session (Geneva, 5 November 1990) the Board decided no longer to convene the Programme Advisory Committee.
(d) shall report to the Board on the activities of the Centre.

3. In the exercise of his functions, the Director shall be subject to the authority of the Chairman of the Board in the carrying out of the policies established by the Board in the discharge of its responsibilities for the general management of the Centre, as provided for in Article III (1).

4. The Director and staff of the Centre shall be paid from funds of the Centre.

5. The staff of the Centre shall be subject to the authority of the Director of the Centre and shall be responsible to him in the exercise of their functions. The terms and conditions of the service of the staff of the Centre shall be established on the basis of those of International Labour Office officials and of the particular requirements of the Centre, and shall be approved by the Board.

6. In selecting the teaching staff of the Centre, due regard shall be paid, subject to the efficiency of the work of the Centre, to the necessity of recruiting persons familiar with the problems of training in developing countries.

7. The Board shall lay down general rules for the selection of fellows.

ARTICLE VI

Finance

1. The Budget of the Centre shall be financed from voluntary contributions by:

(a) governments;

(b) intergovernmental organisations;

(c) international non-governmental organisations; and

(d) other sources;

as well as from earned income.

2. The budget of income and expenditure of the Centre shall be drawn up in euros and contributions to the income budget of the Centre shall be payable in United States dollars or euros.

3. The Board of the Centre may, in addition, authorise the Director, subject to such instructions as it may issue, to accept contributions, as well as gifts, grants or legacies, made otherwise than as provided for in paragraph 2, provided that they are made for purposes consistent with the objects and functions of the Centre and are in such form as to be readily usable for such purposes.

4. The reserve funds of the Centre shall be invested in accordance with the decisions taken by the Chairman of the Board of the Centre after consulting the Investments Committee of the International Labour Organisation.
5. Financial Regulations shall be adopted and amended, as necessary, by
the Board on the proposal of the Director and after consultation with the Governing
Body of the International Labour Office. The Director may issue financial rules to give
effect to the provisions of the Financial Regulations. He shall communicate such rules
to the Board for approval.

6. The funds and assets of the Centre shall be accounted for separately
from the assets of the International Labour Organisation.

7. The accounts of the Centre shall be audited by the External Auditor of
the International Labour Organisation.

ARTICLE VII

Location and Premises

The Centre shall have its headquarters in Turin on premises to be provided
under arrangements to be entered into between the International Labour Organisation
and the Italian Government.

ARTICLE VIII

Legal Status

1. The Centre shall possess legal personality. It shall have such legal
capacity as is necessary for the fulfilment of its purposes and in particular the capacity:

   (a) to contract;
   (b) to acquire and dispose of movable and immovable property;
   (c) to institute and defend legal proceedings.

2. The Centre shall enjoy such privileges and immunities as may be
necessary for the fulfilment of its purposes. These privileges and immunities shall be
specified in separate arrangements.

ARTICLE IX

Transitional Provisions

ARTICLE X

Amendment of the Statute

This Statute may be amended at any time by the Governing Body of the
International Labour Office on the recommendation or after consultation of the Board
of the Centre.

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6 Deleted.
ARTICLE XI

Dissolution

In the event of the Centre being dissolved, the remaining funds and assets of the Centre shall be used in accordance with instructions to be issued by the Governing Body of the International Labour Office, except to the extent that the disposal of the unspent balances of any contributions made to the Centre may be subject to conditions attached by the donors and accepted by the Director at the time such contributions were made.

ARTICLE XII

Effective Date

This Statute shall take effect upon its adoption by the Governing Body of the International Labour Office.
AGREEMENT BETWEEN
THE ITALIAN GOVERNMENT AND
THE INTERNATIONAL LABOUR ORGANISATION
ON THE INTERNATIONAL CENTRE FOR ADVANCED
TECHNICAL AND VOCATIONAL TRAINING

(signed in Rome on 24 October 1964)

The Italian Government, represented by Mr Giuseppe SARAGAT, Minister for
Foreign Affairs,
and

the International Labour Organisation, represented by Mr David A. Morse,
Director-General of the International Labour Office, by virtue of the powers conferred
upon him by Article IX of the Statute of the International Centre for Advanced
Technical and Vocational Training,

Considering that the Italian Government has informed the Director-General of
the International Labour Office that it has decided to co-operate in creating an
international centre for advanced technical and vocational training, whose seat will be
in Turin,

Wishing to carry out the decision taken on 7 May 1963, by the Governing
Body of the International Labour Office, to establish the International Centre for
Advanced Technical and Vocational Training at Turin, as well as the Resolution
adopted on 31 May 1963 by the said Governing Body concerning the Statute of the
Centre and annexed to the present Agreement,

Are agreed as follows:

ARTICLE 1

In accordance with Article VII of its Statute, the Centre will have its seat in
Turin, and the conditions upon which the land and buildings constituting this seat are to
be placed at the disposal of the Centre are as defined in the Convention concluded on
29 July 1964 by the City of Turin and the International Labour Organisation.

ARTICLE 2

In accordance with Article VIII of its Statute, the Centre is a legal entity and
has the legal powers necessary to achieve its aims, including the powers:

(a) to make contracts;

(b) to acquire and dispose of real estate, goods and chattel;

(c) to go to law.
ARTICLE 3

1. In accordance with the terms of paragraph 2 of Article VIII of its Statute, the Centre will enjoy in Italy, for itself, the Members of the Board, [and for the Advisory Board on Programmes of the Centre] as well as for the members of its staff, the privileges and immunities granted to the International Labour Organisation by the Convention on the privileges and immunities of the Specialised Agencies as adopted by the General Assembly of the United Nations on 21 November 1947 and accepted in the name of the International Labour Organisation by the International Labour Conference on 10 July 1948.

2. The Italian Authorities will take the steps necessary to facilitate entry into, departure from and sojourn in the territory of Italy of all persons officially accredited to the Centre.

ARTICLE 4

1. The Italian Government undertakes to make a contribution to the Centre of a sum equivalent to 4,450,000,000 lire, by annual payments covering the period 1965 to 1974, and payable on 1 January each year in dollars, each of the ten payments being of a sum equivalent to 445,000,000 lire.

In addition, the Italian Government undertakes to finance a number of fellowships for recipients from developing countries, the overall total not to be less than 65,000,000 lire, for 1965, according to terms still to be agreed. For subsequent years, the participation of the Italian Government in the financing of fellowships will be determined before 30 June each year for the following year by joint agreement between the Italian Government and the Director of the Centre, account being taken of the development of the Centre.

ARTICLE 5

Further arrangements will be made to define the manner of application of the present Agreement.

ARTICLE 6

The present Agreement may be amended by mutual consent at the request of either party.

ARTICLE 7

1. Any difference of opinion on the application or interpretation of the present Agreement or of any additional arrangement will, if it is not settled by direct negotiation, be submitted for consideration by a tribunal consisting of three arbitrators, one designated by the Italian Government, the second by the Director-General of the

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7 No longer convened (ref. CC 51/2, Geneva, November 1990.)
8 Replaced by Financial Agreement between the Italian Government and the International Labour Organisation regarding the International Centre for Advanced Technical and Vocational Training, signed in Rome on 7 December 1978 (see page 12 of this document.)
International Labour Office and a third who will preside over the tribunal, and who will be chosen by the other two.

2. In case of disagreement on the choice of tribunal chairman, he will be designated by the President of the International Court of Justice.

ARTICLE 8

The present Agreement will enter into force after its approval by the competent Italian authorities and the Governing Body of the International Labour Office at a date to be fixed by an exchange of notes between the Director-General of the International Labour Office and the duly authorised representative of the Italian Government.

AGREED and signed at Rome on 24 October 1964, in two original copies in French, one of which will be deposited with the Director-General of the International Labour Office and the other with the Archives of the Italian Ministry for Foreign Affairs.

For the Government of the Italian Republic

Giuseppe SARAGAT

For the International Labour Organisation

David A. MORSE
FINANCIAL AGREEMENT BETWEEN
THE ITALIAN GOVERNMENT AND
THE INTERNATIONAL LABOUR ORGANISATION
REGARDING THE INTERNATIONAL CENTRE FOR ADVANCED
TECHNICAL AND VOCATIONAL TRAINING IN TURIN

(signed in Rome on 26 April 1974)\(^9\)

Whereas the financial provisions of Article IV of the Agreement between the Italian Government and the International Labour Organisation to establish the International Centre for Advanced Technical and Vocational Training, signed in Rome on 24 October 1964, and ratified by Italian law number 930 of 26 June 1965 published on the Official Gazette of 3 August 1965, will expire on 24 October 1974;

Whereas the Italian Government, mindful of the kinds of activity carried out by the International Centre for Advanced Technical and Vocational Training, is prepared to continue supporting it financially;

Whereas on 31 October 1972, the Board of the Centre fixed the level of the Centre's activities for the years 1973-1978 at seven million United States dollars per year;

Taking into account the programme and budget of the Centre for the two-year period 1 August 1973 to 31 July 1975 which was approved by the Board of the Centre at its Seventeenth Session held in Turin on 25 May 1973;

Taking into account the planned volume of the Centre's activities as from 1 January 1975;

The Government of the Italian Republic on the one part, and the International Labour Organisation on the other part are agreed as follows:

ARTICLE 1

1. The Italian Government undertakes to contribute to the Centre's budget a sum of eleven million United States dollars to be applied to the Centre's general expenses and to the financing of fellowships for people from developing countries. This contribution will be paid in half-yearly instalments spread throughout the period 1975 to 1979 and payable on 1 January and 30 June each year, each of the ten instalments being 1,100,000 United States dollars.

2. The second half-yearly instalment in each year will be subject to confirmation that the Centre has had available during the preceding twelve-month period financing from other sources at least equivalent to 4,800,000 United States dollars.

ARTICLE 2

The present Agreement will enter into force after its approval by the competent Italian authorities and the Governing Body of the International Labour Office.

MADE and signed in Rome on 26 April 1974, in two copies, in French and in Italian, one of which will be deposited in the Archives of the Italian Ministry for Foreign Affairs and the other with the Director-General of the International Labour Office.

For the Government of the Italian Republic

For the International Labour Organisation

Mario PEDINI

Francis BLANCHARD
FINANCIAL AGREEMENT BETWEEN THE ITALIAN GOVERNMENT AND THE INTERNATIONAL LABOUR ORGANISATION REGARDING THE INTERNATIONAL CENTRE FOR ADVANCED TECHNICAL AND VOCATION TRAINING IN TURIN

(signed in Rome on 7 December 1978)\(^\text{10}\)

Whereas the financial provisions of the Agreement between the Italian Government and the International Centre for Advanced Technical and Vocational Training in Turin, signed in Rome on 26 April 1974 and approved by Act No. 302 of 7 June 1975, published in the Gazzetta Ufficiale of 22 July, will expire on 31 December 1979;

Whereas the Italian Government, mindful of the tasks of the International Centre for Advanced Technical and Vocational Training and of its activity, intends to continue supporting it financially;

Whereas the Centre's activities for the period 1 January 1980 - 31 December 1984, according to the Centre's estimates, may reach an amount of 12 million United States dollars per year, but in no case an amount less than 8 million United States dollars per year;

Taking into account the programme and budget of the Centre for the two-year period 1 August 1977 - 31 July 1979, which was approved by the Board of the Centre at its Twenty-fifth Session held in Geneva on 20 May 1977;

Taking into account the volume of the Centre's activities as from 1 January 1980;

The Government of the Italian Republic on the one part, and the International Labour Organisation on the other part, are agreed as follows:

**ARTICLE 1**

1. The Italian Government undertakes to contribute to the Centre's budget, and thereby grant to the Centre itself, for the period 1 January 1980 - 31 December 1984, a sum of 16 thousand million lire as a contribution to the Centre's general expenses and for the carrying out of its activities in favour of developing countries. This contribution will be paid in ten installments, each of 1,600,000,000 lire, payable on 1 January and 30 June each year.

\(^{10}\) Act No. 634 of 19 December 1979 published in the Italian Official Gazette (Gazzetta Ufficiale) of 24 December 1979.
2. The payment of the second half-yearly instalment shall be subject each year to confirmation that the Centre has had available during the preceding twelve-month period financing from other sources at least equivalent to 4,800,000 United States dollars.

3. In case the Turin Centre had not received, during the preceding twelve months, the above mentioned additional financing, the solutions applied would be those laid down in the Pedini-Blanchard exchange of letters of 26 April 1974, published in the Gazzetta Ufficiale of 22 July 1975, No. 193, pp., 4981-4982 and 4983-4984, annexed to Act No. 302 of 7 June 1975.

ARTICLE 2

The Joint Committee, set up by a further Pedini-Blanchard exchange of letters of 26 April 1974, published in the above mentioned Gazzetta Ufficiale, pp., 4980-4981 and 4983, in addition to the tasks entrusted thereby to it, will have the power to carry out studies and surveys in order to determine the optimum operational costs of the Turin Centre and to recommend appropriate measures in order to attain them.

ARTICLE 3

The International Labour Organisation recognises Italian as one of the official languages of the Turin Centre.

ARTICLE 4

This Agreement shall come into force after its approval by the competent Italian authorities and the Governing Body of the International Labour Organisation.

DRAWN UP and signed in Rome on 7 December 1978, in two copies, in French and in Italian, one of which will be deposited in the Archives of the Italian Ministry for Foreign Affairs and the other with the Director-General of the International Labour Office.

For the Government of the Italian Republic
Franco FOSCHI

For the International Labour Organisation
Francis BLANCHARD
AGREEMENT BETWEEN
THE ITALIAN GOVERNMENT
AND
THE INTERNATIONAL LABOUR ORGANISATION
REGARDING THE INTERNATIONAL CENTRE FOR ADVANCED
TECHNICAL AND VOCATIONAL TRAINING IN TURIN

(signed in Rome on 13 December 1983)\textsuperscript{11}

The Government of the Italian Republic and the International Labour Organisation,

Taking into account the entirety of the financial provisions embodied in the Agreement between the International Labour Organisation and the Italian Government regarding the financing of the International Centre for Advanced Technical and Vocational Training in Turin (hereinafter referred to as the Centre) signed in Rome on 7 December 1978, and approved by Italian Law No. 634 of 19 December 1979 published in the Italian Official Gazette No. 349 on 24 December 1979, based on the Agreement of 24 October 1964, approved by Italian Law No. 930 of 26 June 1965 published in the Italian Official Gazette No. 193 on 3 August 1965, which are due to expire on 31 December 1984;

Taking into account the nature of the Centre's tasks and activities and with a view to conferring greater stability on the said institution and providing it with financial support;

Being of the opinion that the Centre's privileges and immunities should be governed by a separate Protocol and by the provisions currently in force until such time as the same shall come into effect;

Considering that appraisal of the conditions pertaining to the management of the Centre underscores the need to afford the widest possible financial cover through direct contributions for its general expenses and those incurred for the technical support of its training operations, so as to enable it to offer services to the developing countries on terms favourable to the latter;

Having examined the directions taken in the Centre's programmes and budget as approved by the Board of the Centre and confirmed by the Governing Body of the International Labour Office;

Taking into account the anticipated volume of the Centre's activities as from 1 January 1985;

Hereby agree as follows:

ARTICLE 1

The Italian Government undertakes to contribute to the Centre's budget in the form of an annual contribution to the Centre's general expenses, the said contribution to be assessed in relation to both the Centre's requirements with respect to the said general expenses and the annual contribution made by the International Labour Organisation towards the financing of the Centre.

ARTICLE 2

The Joint Committee set up by the Pedini-Blanchard exchange of letters dated 26 April 1974 and published on pages 4980-4981 and 4983 of the Italian Official Gazette No. 193 on 22 July 1975, in addition to the tasks entrusted to it therein, shall be required to make an assessment within the first quarter of each financial year of the Centre's requirements for general expenses for the following year, and express an opinion concerning the amount of the Italian Government's contribution to the Centre for the said following year in the light of the criteria laid down in Article 1 of this Agreement, account being also taken of contributions from other sources of financing and not connected with the operational activities of the Centre.

The Joint Committee may also further studies and surveys to appraise the Centre's optimum operational costs and may recommend any and every measure whereby the same may be attained.

ARTICLE 3

1. The Italian Government undertakes to pay to the Centre the sum of 6,000,000,000 liras as its contribution to the budget for the 1985 financial year.

2. For future years, the Italian Government's contribution shall be determined year by year in the law approving the Italian Estimates, account being taken of the opinion expressed by the Joint Committee.

In the event of the joint Committee being unable to express an opinion with regard to the amount of the Italian Government's contribution to the Centre, consultations shall immediately be commenced between the two Parties to this Agreement with a view to reaching an understanding.

3. The Italian Government's contribution shall be paid each year in the form of two instalments, each of the same amount, payable on 1 January and 30 June. Payment of the second of these six-monthly instalments shall be subject each year to confirmation that the Centre has had available during the preceding twelve-month period financing from other sources equivalent to an amount at least twice that of the Italian Government's contribution.

In the event of the Centre's failure to obtain the above mentioned additional financing during the course of the previous twelve months, the procedures laid down with regard to this question in the Pedini-Blanchard exchange of letters dated 26 April 1974 and published on pages 4981-4982 and 4983-4984 of the Italian Official Gazette No. 193 on 22 July 1975 shall be applied.
ARTICLE 4

The International Labour Organisation recognises Italian as one of the official languages of the Centre.

ARTICLE 5

This Agreement shall come into effect on a date to be fixed by means of an exchange of notes between the contracting Parties, following the forwarding to the International Labour Organisation of the instrument of ratification by the competent Italian authorities and the approval of the Governing Body of the International Labour Office.

The Agreement shall be for a term of five years and open to tacit renewal for further five-year periods.

The Agreement may be made the subject of revision whenever this may be deemed appropriate by one of the Parties. Negotiations for this purpose shall begin not later than six months after notification of a request for revision by one of the Parties.

The Agreement may be terminated by either of the two Parties in writing at least six months prior to the date on which it is due to expire.

AGREED and signed in Rome on 13 December 1983 in two original copies, one in French and one in Italian, each being of equal validity, one of which will be filed with the Italian Ministry of Foreign Affairs and the other with the Director-General of the International Labour Office.

For the Government of the Italian Republic

Giulio ANDREOTTI

For the International Labour Organisation

Francis BLANCHARD
COMPLEMENTARY AGREEMENT
ON THE PRIVILEGES AND IMMUNITIES OF THE
INTERNATIONAL CENTRE OF THE ILO IN TURIN

The Government of the Italian Republic

and

the International Labour Organisation

TAKING INTO ACCOUNT the Agreement dated 24 October 1964 between the Italian Government and the International Labour Organisation on the International Centre for Advanced Technical and Vocational Training, since renamed International Training Centre of the International Labour Organisation in Turin (hereinafter called "the Centre");

WHEREAS Article 3, paragraph 1, of the said Agreement provides that "the Centre will enjoy in Italy, for itself, the members of the Board and for the Advisory Board on Programmes of the Centre 12, as well as for the members of its staff, the privileges and immunities granted to the International Labour Organisation by the Convention on the Privileges and Immunities of the Specialised Agencies as adopted by the General Assembly of the United Nations on 21 November 1947 and accepted in the name of the International Labour Organisation by the International Labour Conference on 10 July 1948";

REAFFIRMING that the International Training Centre of the ILO as a whole, enjoys, without restrictions in Italy, for itself, the members of the Board and its subsidiary organs, as well as for the members of its staff the privileges and immunities recognized by the above-mentioned Convention, as accepted by Italy on 30 August, 1985 by an instrument of accession deposited with the Secretary-general of the United Nations;

CONSIDERING that the Centre as well as the ILO as a whole has recourse to appropriate modes of settlement for disputes arising from Article IX, section 31 of the above Convention

HEREBY AGREE to complement the Agreement as well as the above-mentioned Convention as follows:

12 No longer convened (ref. 51st Session of the Board of the Centre, Geneva, November 1990).
ARTICLE 1

In accordance with Article 1 of the Agreement of 24 October 1964, the Centre shall have its headquarters in Turin and shall not be transferred elsewhere unless the Centre should so decide.

ARTICLE 2

1. The Centre and its property, wherever located and by whomsoever held, shall enjoy immunity from every form of legal process except insofar as in any particular case the Centre shall have expressly waived its immunity.

2. The property, funds and assets of the Centre directly allocated to the furtherance of its institutional aims, wherever located and by whomsoever held, shall be immune from search, requisition, expropriation, confiscation and any other form of interference, whatever its nature or origin. The Centre shall reach an agreement with the appropriate Italian authorities whereby, at their request, such premises or land as may be necessary for the performance of public safety operations shall be made available to them.

3. Any waiver of immunity from every form of legal process shall not imply the waiver of immunity from measures for the execution of judicial decisions, which must be expressly waived.

4. The immunity from legal process shall not extend to cases where a civil action is brought by a third party for damage arising from an accident caused by a vehicle belonging to the Centre or being used on its account, nor in the case of any breach of the traffic regulations in which the said vehicle is involved. With regard to the provisions of paragraph 3 above, the Centre undertakes to take out insurance policies for the purpose of ensuring total reparation of damage caused to a third party by a vehicle belonging to the Centre or being used on its account.

ARTICLE 3

1. The premises, the archives of the Centre and its documents, wherever located and by whomsoever held, shall be inviolable.

2. No officer or official of the Italian Republic, or other person exercising any public function on the territory of the Italian Republic, shall enter the headquarters of the Centre to perform any duties therein without the consent of the Director.

3. Consent on the part of the Director shall be presumed in the event of natural calamities, fire or any other circumstance requiring the undertaking of immediate action to protect public safety, as well as in cases where there is a need to follow up criminal acts committed outside the exercise of the Centre's official activities.

4. The Director shall exercise due diligence to prevent the headquarters from being used as refuge by persons who are trying to avoid arrest under any law of the Italian Republic, required for extradition to another country, or endeavouring to avoid notification of legal process.
ARTICLE 4

1. The appropriate Italian authorities shall exercise due diligence to ensure that the tranquillity of headquarters is not disturbed by any person or group of persons attempting unauthorised entry or creating disturbance in the immediate vicinity of headquarters. For this purpose, they shall provide on the boundaries of headquarters such protection as is required.

2. If so requested, with reasons, by the Director, the appropriate Italian authorities shall provide the necessary assistance to assure or maintain order in the headquarters of the Centre.

ARTICLE 5

1. The Centre, its assets, income and other property shall be exempt from any form of direct taxation.

2. The operations and transactions undertaken by the Centre within the framework of its institutional aims shall be exempt from any form of direct or indirect taxation and shall enjoy the same exemptions and facilities as may be accorded to Italian government administrations. In addition, the Centre shall also be exempt from the value added tax (VAT) on all goods and services supplied to it if their value exceeds one hundred thousand lire, this figure being subject to revaluation within the compass of the relevant Italian legislation. Similar exemption from the value added tax is accorded to imports of goods whose value exceeds the said limit effected by the Centre within the framework of its institutional aims.

3. The Centre shall be exempt from customs duties and other levies, prohibitions and restrictions on imports and exports in respect of articles imported or exported for its official use. The Centre shall also be exempt from customs duties and prohibitions and restrictions on imports and exports in respect of publications, still pictures, films and any and every other material required for its official training activities. Articles imported under such exemptions may be sold by the Centre anywhere in the Italian territory, account being taken of its own interests, the purposes of such exemptions and the Italian legislation in force.

4. The Centre shall be exempt from customs duties, levies and restrictions on the purchase or import of not more than five motor vehicles for official use, the same being registered in the name of the Director pro tempore. The Centre may renew such vehicles at reasonable intervals. The Italian Government shall accord each vehicle for official use by the Centre registration with diplomatic plates, exemption from vehicle property taxes and an allotment of gasoline or other required fuels and lubricating oils in quantities and at rates prevailing for heads of foreign diplomatic missions in the Italian Republic.

5. The exemptions provided by this Article do not apply to taxes and duties constituting the payment for services rendered.

ARTICLE 6

1. Without being restricted by any financial controls, regulations or moratoria, the Centre may, obtain, hold and dispose freely of funds and currencies, and hold bank accounts in any currency.
2. The Centre may freely transfer its funds and currencies within and outside the Italian Republic, and into and from any other country, and convert any currency into any other currency.

3. The Italian Government shall assist the Centre to obtain the most favourable conditions as regards exchange rates and banking commissions.

ARTICLE 7

1. The Centre shall enjoy, for its communications, rates not less favourable than those accorded by the Italian Government to any other Government or international organisation.

2. All communications directed to the Centre, or to any of its officials at headquarters, and all outward communications of the Centre, by whatever means or in whatever form transmitted, shall be immune from censorship and from any other form of interception or interference. The provisions of this paragraph shall extend, inter alia, to publications, computerized data, still pictures and films, sound and filmed recordings.

3. The Centre shall have the right to use codes and to dispatch and receive official communications by courier or in sealed bags, which shall have the same privileges and immunities as diplomatic couriers and bags.

ARTICLE 8

1. The appropriate Italian authorities shall take all such steps as may be necessary to facilitate the entry into, sojourn within and exit from the Italian territory of all persons summoned to the Centre in an official capacity, that is to say:

   - members of the Centre's collective bodies;
   - Centre officials and members of their families entitled to the family allowances contemplated in the Staff Regulations;
   - experts and consultants engaged in official missions for the Centre, together with the holders of fellowships and any other person designated by the Centre to participate in its programmes.

2. Visas which may be required by the said persons shall be granted without charge and as promptly as possible, subject to the provisions of Article 13, paragraph 5.

ARTICLE 9

1. The members of the Board of the Centre, the Programme Advisory Committee and the advisory bodies shall be immune from legal process in respect of words spoken or written and all acts performed by them in their official capacity; this immunity shall continue to be maintained notwithstanding that the persons concerned are no longer exercising their functions.

2. The persons referred to in the paragraph above shall benefit, during their journeys to and from the Centre, from the relevant provisions of the Convention on the Privileges and Immunities of the Specialised Agencies approved by the General
Assembly of the United Nations on 21 November 1947 and enjoy, during their sojourn, all other privileges and immunities foreseen by such Convention and, in particular, the exemption in respect of any exchange restriction.

3. The immunity from legal process conferred by paragraph 1 of this Article shall not extend to cases where a civil action is brought by a third party for damage arising from an accident caused by a vehicle belonging to a member of the Board of the Centre, the Programme Advisory Committee or the advisory bodies, or being used on their account, nor in the case of any breach of the traffic regulations in which the said vehicle is involved.

ARTICLE 10

Subject to the application of the provisions of Article VI of the Convention on the Privileges and Immunities of the Specialised Agencies and in keeping with the customary practice in these matters, the officials of the Centre shall enjoy within and with respect to the Italian Republic the following privileges:

(a) complete immunity from legal process with respect of words spoken or written, and all acts performed by them, in their official capacity, it being understood that such immunity shall continue notwithstanding that the persons concerned may have ceased to be officials of the Centre;

(b) immunity from seizure of their official baggage;

(c) immunity from inspection of their official baggage and, if the official is included among those referred to in Article 11, immunity from inspection of their personal baggage, with the exception of such checks as may be required for reasons of public safety;

(d) immunity from any form of preventive custody, except in the case of flagrant crime punishable, according to the law of the Italian State, with imprisonment for not less than three years as a maximum, in which case the appropriate Italian authorities shall immediately notify the Director.

(e) exemption from any form of direct taxation on salaries, emoluments and indemnities paid to them by the Centre;

(f) exemption for officials of other than Italian nationality from any form of direct taxation on income derived from sources outside the Italian Republic;

(g) exemption, with respect of themselves, their spouses and relatives as defined in Article 8, from immigration restrictions and alien registration;

(h) exemption from national service obligations, provided that, with respect to Italian citizens, such exemption shall be confined to officials whose names have, by reason of their duties, been placed upon a list compiled by the Director and approved by the Government; provided further that, should officials who are Italian citizens, but who are not included in that list, be called up for national service, the Government shall, upon request of the Director, grant such temporary deferments in the call up of such officials as may be necessary to avoid interruption in the continuation of essential work;
(i) freedom to maintain within the Italian Republic or elsewhere foreign securities, foreign currency accounts and other movable and immovable property at the same conditions as Italian citizens. Officials shall be free to transfer their foreign securities and foreign currency outside the Italian Republic, and may also make transfers abroad from their accounts held in Italian lire of amounts not exceeding one-third of the earnings and indemnities they receive from the Centre in the course of that year. In addition, at the termination of their employment at the Centre, and through the authorised channels, officials shall have the right to take out of the Italian Republic without prohibition or restriction their funds in the same currency and up to the same amounts as they have received from the Centre or brought into the Italian Republic through authorised channels;

(j) the same repatriation facilities and protection by the Italian authorities with respect to themselves, their spouses and relatives as defined in Article 8, as are accorded to members of diplomatic missions in time of international tension;

(k) the right to import free of duty and other levies, prohibitions and restrictions on imports, at the time of taking up their posts, their furniture and personal effects, including one vehicle, either in a single shipment or in two or more separate shipments over the course of one year, and thereafter to import reasonable quantities of necessary additions to, or replacements of, the same;

(l) officials in the Professional category and above shall have the right to:

   (i) purchase or import, free of duty and other levies, prohibitions and restrictions on imports, one vehicle every four years and to nationalize and sell, free of duty the said vehicle within the Italian Republic four years after the date of the import certificate issued by the appropriate Italian authorities;

   (ii) exemption from vehicle property taxes;

   (iii) an allotment of gasoline or other required fuels and lubricating oils in quantities and at rates prevailing for members of diplomatic missions of comparable rank accredited to the Italian Republic.

ARTICLE 11

In addition to the privileges and immunities specified in Article 10:

(a) the Director of the Centre shall be accorded the privileges and immunities, exemptions and facilities accorded to Ambassadors who are heads of diplomatic missions;

(b) the Deputy Directors or the official acting on behalf of the Director during his absence shall be accorded the same privileges, immunities, exemptions and facilities accorded to members of diplomatic missions of comparable rank;

(c) other senior officials, whose names shall be notified to the Italian Government by the Director at the beginning of each calendar year, shall be accorded privileges, immunities and facilities accorded to diplomatic personnel of missions accredited to the Italian Republic. The
number of those officials, who shall be designated by the Director in relation to their responsibilities at the Centre, shall be fixed by common agreement between the Government and the Director of the Centre.

ARTICLE 12

1. All officials of the Centre, their spouses and relatives as defined in Article 8 shall be issued by the Italian Government with a special identity card stating their function.

2. The Centre shall forward a list of its officials to the Government each year. Prompt notice of all changes shall be given to the Italian Government.

ARTICLE 13

1. The privileges and immunities accorded under this Agreement are granted in the interest of the Centre and not for the personal benefit of the individuals themselves.

2. Without prejudice to the privileges and immunities provided under this Agreement, all those benefiting from the same have a duty to respect the laws and regulations of the Italian Republic and to refrain from interfering in the domestic affairs of the said Republic.

3. The Director of the Centre shall waive the immunity of any official in any case where, in his opinion, the immunity would prevent the Italian Government from acting in the interests of justice or safety and where the immunity could be waived without prejudice to the interests of the Centre. All decisions relating to the waiving of the immunity of the Director or any member of a collective body shall be taken by the Board of the Centre.

4. The Centre and its officials shall co-operate with the appropriate Italian authorities to facilitate the proper administration of justice, secure the observance of police regulations, and to prevent the occurrence of any abuses in connection with the privileges and immunities granted by this Agreement.

5. None of the provisions of this Agreement shall prejudice the right of the Italian Government to take such measures as may prove indispensable for reasons of public safety. In such cases, the Italian Government shall remain in close contact with the Director of the Centre for the purpose of the application of the said measures in order that the interests of the Centre can be safeguarded by common agreement.

ARTICLE 14

The Centre shall make provision for, and notify the Italian Government, appropriate modes of settlement of:

(a) disputes arising out of contracts or other disputes of private character to which the Centre is a party;
(b) disputes involving any official or expert of the Centre who by reason of his official position enjoys immunity, if immunity has not been waived in accordance with the provisions of Article 13, paragraph 3.

ARTICLE 15

Any dispute between the International Labour Organisation and the Italian Government concerning the interpretation or application of this Agreement, which is not settled by negotiation or other agreed mode of settlement by the parties, shall be referred for final decision to a tribunal of three arbitrators: one to be chosen by the Minister of Foreign Affairs of the Italian Republic, one to be chosen by the Director-General of the International Labour Organisation, and the third, who shall be Chairman of the tribunal, to be chosen by the first two arbitrators by common agreement or, should the first two fail to agree on this choice, by the President of the International Court of Justice.

ARTICLE 16

This Agreement shall enter into force on the first day of the month following its approval by the Governing Body of the International Labour Office and the deposit of the instrument of ratification of the Italian Government with the Director-General of the ILO.

AGREED in Rome on 20 April 1993, in two copies in Italian and French, both texts being equally authentic.

For the International Labour Organisation

For the Government of the Italian Republic
COVENANT BETWEEN THE CITY OF TURIN AND
THE INTERNATIONAL LABOUR ORGANISATION

(signed at Turin on 29 July 1964)

Covenant between the City of Turin, represented by the Mayor, Mr. Giovanni Carlo ANSELMETTI, the party of the first part,

and

The International Labour Organisation, represented by Mr. David A. MORSE, Director-General of the International Labour Office, by virtue of the powers conferred upon him by Article IX of the Resolution concerning the Statute of the International Centre for Advanced Technical and Vocational Training adopted by the Governing Body of the International Labour Office on 31 May 1963, the party of the second part,

It has been agreed as follows:

ARTICLE 1

The City of Turin will place at the disposal of the International Centre for Advanced Technical and Vocational Training:

(a) the land and buildings constituting the seat of the Centre, as designated in Annex A of the present Covenant;

(b) any other land or building which may be incorporated in the seat of the Centre by virtue of supplementary arrangements.

ARTICLE 2

As long as the present Covenant remains in force the seat may not be disposed of, in whole nor in part, without the consent of the International Labour Organisation.

ARTICLE 3

The International Centre for Advanced Technical and Vocational Training will enjoy permanent rights of use and occupation of the seat from the date that the present agreement enters into force, as long as the seat of the Centre is maintained in Turin.

ARTICLE 4

The City of Turin recognises the Centre's right to build and to maintain buildings on the land at its disposal, as well as the right to convert, if necessary, the
existing buildings, in consultation with the City of Turin and on condition that those buildings and conversions comply with the laws and regulations in force.

ARTICLE 5

The International Centre for Advanced Technical and Vocational Training will pay the City of Turin for the use and occupation of the seat the total sum of one United States dollar ($1.00) (or 1,000 liras) per annum from the date on which the present Covenant enters into force. The ownership of the seat shall not be acquired by prescription.

ARTICLE 6

Concerning the seat and installations therein, which are provided by the City of Turin and of which the Centre will enjoy the right of user, including the lifts, heating and air conditioning installations, fixed machinery, furniture etc.:

(a) the City of Turin undertakes to perform major repairs and normal protection works (re-dressing façades, external painting, etc.) and - without this implying any limitation - to repair damage caused by force majeure, inclement weather, building defects or dilapidation, as well as to replace the said installations should the occasion arise. The City of Turin undertakes to replace within a reasonable time any building or part of a building situated at the seat which is wholly or partly destroyed or unusable, excepting where the damage results from non-observance of normal maintenance requirements which are the responsibility of the Centre;

(b) the International Centre for Advanced Technical and Vocational Training undertakes to perform minor routine repairs and will to this end provide the services and materials necessary to maintain the seat in a condition permitting the Centre to conduct its activities in satisfactory conditions.

ARTICLE 7

The City of Turin agrees:

(a) to enclose the land placed at the disposal of the Centre on the line of the external limits of this land, and to take steps to demarcate the land, in conformity with the provisions of Annex A of the present Covenant;

(b) to provide communication between the areas on either side of Corso Unità d'Italia by means of a footbridge;

(c) to maintain the bank of the River Po and of the Sangone, and in particular to take all steps necessary (building of walls, shoring, reinforcement of existing safeguards) to prevent flooding.

ARTICLE 8

The City of Turin will be responsible for maintaining the parks and their installations, roads and paths. Payment of the park watchmen will be the responsibility of the Centre.
ARTICLE 9

The City of Turin will supply the Centre free of charge with such furniture and equipment as is determined by separate arrangement, and will bear the cost of installations. It will help as far as possible in the installation of equipment intended for the residential quarters and for the training buildings.

ARTICLE 10

The Centre will exercise active easements existing for the benefit of the land placed at its disposal, and will allow those passive easements entailed upon such land, these easements being listed in Annex A of the present Covenant.

ARTICLE 11

The municipal authorities will, within the limits of their powers, take appropriate steps to ensure free access to the seat by persons officially accredited to the Centre, and to prevent the peace of the central seat from being disturbed by persons or groups of persons seeking to enter the seat without authorisation or provoking disorders in the immediate vicinity of the seat.

ARTICLE 12

The municipal authorities will take all reasonable steps to prevent the use to which adjoining land or buildings are put from derogating from the seat itself or from the purpose to which it is dedicated. The Centre will also take all reasonable steps to prevent the use to which the land or buildings constituting the seat is put from derogating from the neighbouring land and buildings.

ARTICLE 13

The municipal authorities will exercise their powers, insofar as the Director requests this and within the limits of their competence, to ensure the supply to the seat -on fair terms and at the lowest rates- of the necessary services, including electricity, water, drainage, local transport and refuse collection, this list being in no way definitive.

ARTICLE 14

The Director of the Centre will upon request make the necessary arrangements to permit the duly authorised representatives of the public services concerned to inspect, repair, maintain, reconstruct and move the main services and drains within the seat.

ARTICLE 15

Additional arrangements may be concluded according to need, within the framework of the present Covenant.
ARTICLE 16

The present Covenant will be submitted for the approval of the Governing Body of the International Labour Office and will enter into force at the latest by 1 January 1965, on a date to be decided by agreement between the Director-General of the International Labour Office and the Mayor of Turin.

ARTICLE 17

The present Covenant may be amended by mutual consent at the request of either party.

ARTICLE 18

The present Covenant will come within the framework of arrangements to be made with the Italian Government regarding the Statute of the International Centre for Advanced Technical and Vocational Training, and will be applied or interpreted in the light of these arrangements.

ARTICLE 19

Any difference of opinion on the application or interpretation of the present Covenant or of any additional arrangement will, if it is not settled by direct negotiation, be submitted for the consideration of a tribunal composed of three arbitrators, one to be appointed by the Director-General of the International Labour Office, the second by the Mayor of Turin, and the third, who will preside over the tribunal, to be chosen by the other two. The decision of the arbitrators will be final and there will be no appeal against it.

ARTICLE 20

Any expenses relating to the present Covenant in the matter of registration or other fees will be payable by the City of Turin.
AGREED and SIGNED at Turin on 29 July 1964, in two copies, of which one will be deposited with the Director-General of the International Labour Office and the other with the Mayoralty of the City of Turin.

For the City of Turin:
Giovanni Carlo ANSELMETTI, Mayor of Turin

For the International Labour Organisation:
For the Director-General of the International Labour Office: Paul BACON, Director of the International Centre for Advanced Technical and Vocational Training.

Annexed documents:

A: Description of land and building placed at the disposal of the International Centre for Advanced Technical and Vocational Training.

B: General plan.
RULES OF PROCEDURE OF THE BOARD OF THE CENTRE

(Adopted by the Board of the Centre on 7 March 1966 and amended on 4 November 2011).

ARTICLE 1
Meetings

1. The Chairman of the Board of the Centre shall convene at least one ordinary session each year.

2. The Chairman may also convene a meeting at his own initiative or at the request of the three Vice-Chairmen or of six members of the Board.

3. The meetings of the Board shall be held at the headquarters of the Centre, unless the Board shall otherwise determine.

ARTICLE 2
Duties of the Chairman

It shall be the duty of the Chairman to declare the opening and closing of the sittings, to bring before the Board any communications which may concern it, to direct the debates, maintain order, ensure the observance of these Rules, accord or withdraw the right to address the Board and, as appropriate, put questions to the vote and announce the result of the vote.

ARTICLE 3
Secretariat

1. The Director of the Centre is charged with the organisation of the sessions of the Board and is responsible for the secretariat services under his control.

2. The Director of the Centre, or his representative, shall assist the Chairman in the exercise of his duties and may, with the permission of the Chairman address the Board.

ARTICLE 4
Admission to meetings

1. As a general rule the sittings are public. Nevertheless the Board may decide, in certain circumstances, to sit in private.
2. Members of the Board who do not speak French, English, Italian or Spanish are authorised to bring into the Board Room interpreters to assist them, on their own responsibility and at their own expense.

ARTICLE 5

Observers

The Board may invite observers to participate in its work in an advisory capacity.

ARTICLE 6

Representatives of National or International Governmental or Non-Governmental Organisations

1. National or international governmental or non-governmental organisations may be invited by the Board to be represented at any meeting during the discussion of matters of interest to them. The Chairman may, in agreement with the Vice-Chairmen, permit such representatives to make or circulate statements for the information of the Board upon matters included in its agenda. If agreement cannot be reached the matter shall be referred to the Board for decision without discussion.

2. This article does not apply to meetings dealing with administrative or financial matters.

ARTICLE 7

Agenda

1. The agenda for each session shall be drawn up by the Chairman after consultation with the Director of the Centre, having regard to any proposals submitted by members of the Board.

2. Any subject which the Board shall have decided at its last session to include in the agenda shall be included in the agenda for the next session.

3. The agenda shall be circulated to members of the Board so as to reach them not less than 30 days before the date of the session. With the agreement of the Officers of the Board, matters of urgent importance may be added to the agenda of any session when a member of the Board so requests.

ARTICLE 8

Right to Address the Board

1. No member shall address the Board without having asked permission of the Chairman, who shall call upon speakers in the order in which they have signified their desire to speak.
2. The Chairman may withdraw the right to speak if the speaker's remarks are not relevant to the subject under discussion.

3. The Chairman may fix a time limit for speeches, with the consent of the Board.

ARTICLE 9

Voting

1. Decisions shall be taken by a simple majority of the votes cast for and against by members of the Board present at the sitting.

2. The Board shall vote by a show of hands or by record vote.

3. In case of doubt as to the result of a vote by a show of hands, the Chairman may cause a record vote to be taken.

4. A record vote shall be taken if requested, before or immediately after a vote by show of hands, by at least one-fifth of the members of the Board present at the meeting.

5. The vote shall be recorded by the secretariat and announced by the Chairman.

ARTICLE 10

Quorum

1. A vote is not valid if the number of votes cast for and against is less than one-half the total number of members of the Board present at the sitting.

2. Where a quorum has not been obtained in a vote by a show of hands, the Chairman may immediately take a record vote. He shall be obliged to do so if a record vote is called for by at least one-fifth of the members of the Board present at the meeting.

ARTICLE 11

Report

A report shall be drawn up after each meeting by the secretariat. This report will be communicated to members of the Board as soon as possible and submitted to the Institutional Section of the Governing Body in accordance with the decisions taken by the Governing Body of the ILO at its 222nd (February–March 1983), 310th (March 2011) and 311th (June 2011) Sessions.¹³

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¹³ As amended by the Board of the Centre on 4 November 2011.
FINANCIAL REGULATIONS


CHAPTER I

DEFINITIONS

For the purpose of these Regulations:

"Accounts" means all formal records of the assets, liabilities, income and expenditure of the Centre.

"Accrual accounting" means the determination and matching of the income for a financial period with expenditure for the same period.

"Board" means the Board of the Centre as defined in Article III of the Statute.

"Centre" means The International Training Centre of the International Labour Organization.

"Chairperson" means the Chairperson of the Board as defined in paragraph 5 of Article III of the Statute.

"Earned income" means income generated by all activities of the Centre and by all assets of the Centre.

"Financial period" means two consecutive calendar years.

"Firmly pledged voluntary contributions" means voluntary contributions in respect of which the contributor has stated in writing the amount and the date or dates of payment.

"Net results" means the difference between income and expenditure for a financial period.

"Officers" means the Officers of the Board, as defined in paragraph 5 of Article III of the Statute.

"Staff Regulations" means the Staff Regulations of the Centre as amended from time to time.

"Statute" means the Statute of the Centre as adopted by the Governing Body of the International Labour Office on 31 May 1963, as amended from time to time.

"Working Capital Fund" means the Fund described in Article 11 of these Regulations.
CHAPTER II

FINANCING OF THE CENTRE

ARTICLE 1

The financial period of the Centre shall consist of two consecutive calendar years.

ARTICLE 2

The programmes of the Centre shall be financed by:

(a) earned income;

(b) voluntary contributions;

(c) the Working Capital Fund; and

(d) where these are insufficient, borrowing, subject to the provisions of Article 3.4 below.

ARTICLE 3

1. The Director is authorised to accept gifts, grants and legacies, provided that:

(a) they are made for purposes consistent with the objects and functions of the Centre;

(b) they are in such form as to be readily usable for these purposes; and

(c) they do not give rise to financial or other liabilities for the Centre or the International Labour Organization.

The Director shall report annually to the Board thereon.

2. The Director is authorised to obtain additional income for the Centre by renting space or providing services (to the extent that they are not required for the implementation of the Centre’s activities) for purposes consistent with the standing of the Centre.

3. The Director shall, after consultation with the Chairperson of the Board, designate the bank or banks in which funds of the Centre shall be kept or, if not needed for immediate requirements, invested. This paragraph does not apply to the Working Capital Fund.

4.(a) The Director is authorised to borrow funds on behalf of the Centre when the Working Capital Fund is insufficient to finance temporarily:

   (i) expenditure to be covered by firmly pledged voluntary contributions due but not yet received; and
(ii) expenditure to be incurred under signed agreements when income to be received under such agreements is not yet in hand.

(b) The Director is not authorised to borrow for any other purpose unless he or she has obtained prior written authorisation by the Chairperson, who shall inform the Officers of any such authorisation given.

CHAPTER III

PRESENTATION AND ADOPTION OF THE BUDGET

ARTICLE 4

1. The Director shall prepare programme and budget proposals for each financial period, including estimates of the income and expenditure for the period.

2. The estimates shall be expressed in euros.

3. The Director shall provide members of the Board with the budget proposals at least one month before the date of the Board meeting called to consider them. The proposals shall include information on the expected level and content of the programme and on financial matters, including cost data and prospects for voluntary contributions.

4. The budget presentation shall include a summarised statement of estimated income and expenditure divided into chapters and headings showing the operational and support activities of the Centre and the sources of income.

5. This summarised statement shall be supported by such schedules and explanatory statements and notes as may be necessary or useful for proper study and review of the budget proposals. In particular, there shall be a statement of the staff resources proposed under each chapter and heading, with comparative data for the currently approved budget and the latest actual position, divided according to type of contract, grade and function.

ARTICLE 5

1. The Board shall review the budget proposals and, after hearing the explanations given by the Director, adopt them, subject to any alterations and amendments it may decide.

2. Decisions of the Board to adopt the budget shall be taken by a two-thirds majority of votes cast by members present at the meeting.
CHAPTER IV

IMPLEMENTATION OF THE BUDGET

ARTICLE 6

The approval of a budget by the Board shall constitute an authorisation to the Director to incur expenditure during the period to which the budget relates, up to, but not exceeding the amount included in the budget, for the purposes shown in the budget, and to the extent that the income expectations in the budget are confirmed by actual developments.

ARTICLE 7

1. Notwithstanding the provisions of Article 6 above, and in conformity with the other paragraphs of the present article:

   (a) the Director must reduce expenditure below the level provided in the approved budget whenever it becomes clear that the amounts of actual income are likely to fall short of the amount estimated in the budget;

   (b) if the Director has evidence in hand showing that actual income will exceed the level in the approved budget, he or she may incur expenditure in excess of the amount authorised in the budget.

2. In adapting expenditure to changes in income levels, the Director shall take into account the differences in amounts earned from different types of income-generating activities.

3. Whenever actual income or expenditure varies from the amount contained in the approved budget, the Director shall strive to ensure at least that the net result of the financial period is not less favourable than that foreseen in the approved budget.

4. If there is a net financial surplus at the end of any complete financial period, the Director can, subject to paragraph 3(d) of Article 11 below, include the whole or part of such surplus in a proposal to be approved by the Board or use it as an increase in the accumulated reserves of the General Fund. The proposal should clearly indicate the use of such funds.

ARTICLE 8

1. The Director shall report to the Board at each of its regular meetings on the implementation of the programme and budget proposals. The report shall give an account of the programme actually carried out and projected for the remainder of the financial period. Financial information reported shall include the latest actual income and expenditure and a forecast of income and expenditure to the end of the financial period. The total of actual and forecast income and expenditure shall be compared with the approved budget and explanations shall be given of any significant variations with indications of remedial action taken or proposed.
2. In the year following the end of the financial period, and as soon as audited financial statements are available for the completed financial period, the Director shall report to the Board on activities carried out and the financial results of the completed period.

ARTICLE 9

In order to conform to the requirements of Articles 6 and 7, the Director shall ensure that adequate budgetary control, forecasting and reporting systems are maintained.

CHAPTER V

RESERVES

ARTICLE 10

The reserves of the Centre shall include a Working Capital Fund.

ARTICLE 11

1. The Working Capital Fund is established for the following purposes:

(a) to finance temporarily expenditure pending receipt of voluntary contributions and other income to be received under signed agreements;

(b) in exceptional circumstances, and only with prior written authorisation of the Chairperson, to provide advances to meet emergencies. The Chairperson shall inform the Officers of any such authorisation given.

2. The target level of the Working Capital Fund is the equivalent of euro 2.0 million. The Board of the Centre may adjust the target level subsequently so that it is compatible with the volume of the Centre's budget.

3. The Working Capital Fund shall be built up to its target level by payments into it of:

(a) voluntary contributions made for this purpose by the member States of the International Labour Organisation;

(b) voluntary contributions made for this purpose from any other source;

(c) provisions established in expenditure budgets for this purpose;

(d) the whole or part of any net surplus for any financial period, after making the provisions required under paragraph 7 below.

4. The Working Capital Fund shall be administered as a separate account and corresponding monies shall be kept in separate bank accounts or invested in accordance with Article VI, paragraph 4, of the Statute. A statement showing the
position of the Fund, audited by the External Auditor, shall be submitted to the Board of
the Centre as part of the annual financial statements. Interest earned on the Fund shall
be credited to the Fund until the target level is attained. Once the target level is
attained interest earned on the Fund shall be transferred to the General Fund and
recorded as interest earned.

5. Should the Centre be dissolved, the voluntary contributions to the
Working Capital Fund may be refunded to the contributing member States concerned if
they so request and to the extent that funds remain available in the Working Capital
Fund after settlement of the liabilities of the Centre.

6. Withdrawals made from the Working Capital Fund to finance
expenditure for any financial period pending receipt of income shall be reimbursed to
the Fund as soon as that income is received.

7. Where sums have been advanced from the Fund to finance expenditure
pending the receipt of income which subsequently proves to be uncollectible or to meet
expenditure in emergency situations, the sums so advanced shall be reimbursed to the
Fund as early as possible by providing for their reimbursement in the next budget
proposals or in revised budget proposals, depending on the size of the
reimbursements involved.

ARTICLE 12

The Director shall include in budget proposals for each financial period
adequate provisions for payroll charges to be paid to the ILO Terminal Benefits Fund
to cover terminal payments accruing to the Centre's staff under its Staff Regulations.
Charges for such payments into the ILO Terminal Benefits Fund and the obligations to
be met from it shall be defined in a specific agreement between the International
Labour Office and the Centre.

CHAPTER VI

THE ACCOUNTS

ARTICLE 13

1. The Director shall maintain such accounts as are necessary to give
effect to the provisions of these Regulations. These accounts shall provide up-to-date
and accurate information with regard to the Centre's income, expenditure, assets and
liabilities.

2. The accounts shall be kept in accordance with generally accepted
accounting principles and procedures and shall be based on the concept of accrual
accounting.

3. Separate accounts shall be kept for the Working Capital Fund and in
respect of all trust funds, reserves and special accounts.
CHAPTER VII

FINANCIAL STATEMENTS

ARTICLE 14

1. Financial statements expressed in euros shall be prepared at the end of each calendar year.

2. The financial statements for the second year of the financial period shall include schedules of regular budget income and expenditure for the biennial financial period and the calculation of any surplus or deficit.

ARTICLE 15

The financial statements shall be prepared in accordance with the accounting standards generally in use throughout the United Nations System.

ARTICLE 16

The financial statements shall be submitted to the External Auditor in accordance with a schedule agreed with the International Labour Office.

ARTICLE 17

1. The Director shall ensure that, for each calendar year, audited financial statements, together with the External Auditor's report thereon, are submitted to the Board for consideration at a meeting to be held during the year following.

2. The Board shall consider the financial statements in the light of the External Auditor's report and shall adopt them if it is satisfied with their content.

CHAPTER VIII

INTERNAL CONTROL

ARTICLE 18

The Director shall:

(a) establish detailed financial rules and procedures in order to ensure:

   (i) effective financial administration and the exercise of economy; and

   (ii) effective custody of the physical assets of the Centre;
(b) except where advance or progress payments are specifically provided for in the contract, as may be required by normal commercial practice and the interests of the Centre, ensure that all payments are made on the basis of supporting vouchers and other documents which show that services or goods have been received and have not previously been paid for;

(c) designate the officials who may receive monies, incur commitments or obligations and make payments on behalf of the Centre;

(d) maintain an internal financial control and internal audit which shall provide an effective current examination and/or review of financial transactions in order to ensure:

(i) the regularity of the receipt, custody and disbursement of all funds and other resources of the Centre;

(ii) the economical use of the resources of the Centre.

ARTICLE 19

Commitments or obligations shall not be incurred and payments shall not be made unless an appropriate authorisation has been made in writing under the authority of the Director.

ARTICLE 20

The Director may make such *ex gratia* payments as he or she deems to be necessary in the interest of the Centre. A list of such payments shall be submitted with the financial statements.

ARTICLE 21

The Director may, after full investigation, authorise the writing-off of losses of cash, supplies, equipment and other assets. A statement of all such losses written off during the calendar year shall be submitted to the External Auditor with the financial statements.

ARTICLE 22

The Director shall establish rules for the procurement of equipment, supplies and other requirements, including rules governing the invitation of tenders.

ARTICLE 23

The property or the services of the Centre shall not be used for private purposes except where specifically authorised by the Director in the interest of the Centre. The Director shall determine the amounts due to the Centre for the use of its property and services.
CHAPTER IX

EXTERNAL AUDIT

ARTICLE 24

The External Auditor of the International Labour Organization is the External Auditor of the Centre.

ARTICLE 25

1. The audit shall be conducted in conformity with generally accepted common auditing standards and, subject to any special directions of the Board.

2. The External Auditor may make observations with respect to the efficiency of the financial procedures, the accounting system, the internal financial controls and, in general, the administration and management of the Centre.

3. The External Auditor shall be completely independent and solely responsible for the conduct of the audit.

4. The Board or the Director may request the External Auditor to perform specific examinations and issue separate reports on the results.

5. The External Auditor shall perform such audit of the accounts of the Centre, including all trust funds and special accounts, as he or she deems necessary in order to satisfy himself or herself:

   (a) that the financial statements are in accord with the books and records of the Centre;

   (b) that the financial transactions reflected in the Statements have been in accordance with the rules and regulations, the budgetary provisions and other applicable directives;

   (c) that the securities and monies on deposit and on hand have been verified by certificate received direct from the Centre's depositories or by actual count;

   (d) that the internal controls, including the internal audit, are adequate in the light of the extent of reliance placed thereon;

   (e) that procedures satisfactory to the External Auditor have been applied to the recording of all assets, liabilities, surpluses and deficits.

6. The External Auditor shall be the sole judge as to acceptance in whole or in part of certifications and representations by the Director and may proceed to such detailed examination and verification as he or she chooses of all financial records, including those relating to supplies and equipment.

7. The External Auditor and his or her staff shall have free access at all convenient times to all books, records and other documentation which are, in the
opinion of the External Auditor, necessary for the performance of the audit. Information classified as confidential shall be made available on application. The External Auditor and his or her staff shall respect the confidential nature of any information so classified which has been made available and shall not make use of it except in direct connection with the performance of the audit.

8. The External Auditor shall have no power to disallow items in the accounts but shall draw to the attention of the Director for appropriate action any transaction concerning which he or she entertains doubts as to legality or propriety. Audit objections, to these or any other transactions, arising during the examination of the accounts shall be immediately communicated to the Director.

9. The External Auditor shall express and sign an opinion on the financial statements of the Centre. The opinion shall include the following basic elements:

(a) the indication of the financial statements audited;
(b) a reference to the responsibility of management and the responsibility of the Auditor;
(c) a reference to the audit standards followed;
(d) a description of the work performed;
(e) an expression of opinion on the financial statement as to whether:

- the financial statements present fairly in all material respects, the financial position as at the end of the period and the financial performance for the period;
- the financial statements were prepared in accordance with the Centre’s reporting framework; and
- the accounting policies were applied on a basis consistent with that of the preceding period;
(f) an expression of opinion on the compliance of transactions with the Financial Regulations and legislative authority;
(g) the date of the opinion;
(h) the External Auditor’s name and position, and
(i) a reference to the report of the External Auditor on the financial statements.

10. The report of the External Auditor to the Board on the financial operations for the period should mention:

(a) the type and scope of his or her examination;
(b) matters affecting the completeness or accuracy of the accounts, including where appropriate:
   (i) information necessary to the correct interpretation of the accounts;
(ii) any amounts which ought to have been received but which have not been brought to account;

(iii) any amounts for which a legal or contingent obligation exists and which have not been recorded or reflected in the financial statements;

(iv) expenditure not properly substantiated;

(v) whether proper books of accounts have been kept;

(vi) any deviations of a material nature in the presentation of financial statements from generally accepted accounting principles applied on a consistent basis;

(c) other matters which should be brought to the notice of the Board, such as:

(i) cases of fraud or presumptive fraud;

(ii) wasteful or improper expenditure of the Centre’s money or other assets (notwithstanding that the accounting for the transaction may be correct);

(iii) expenditure likely to commit the Centre to further outlay on a large scale;

(iv) any defect in the general system of detailed regulations governing the control of receipts and disbursements or of supplies and equipment;

(v) expenditure not in accordance with the intention of the Board;

(vi) expenditure not in conformity with the authority which governs it;

(d) the accuracy or otherwise of the supplies and equipment records as determined by stocktaking and examination of the records;

(e) where appropriate, transactions accounted for in a previous calendar year concerning which further information has been obtained or transactions in a later calendar year concerning which it seems desirable that the Board should have early knowledge.

11. The External Auditor may make such observations with respect to his or her findings resulting from the audit and such comments on the Director's financial report as he or she deems appropriate to the Board.

12. Whenever the External Auditor's scope of audit is restricted, or he or she is unable to obtain sufficient evidence, the External Auditor shall refer to the matter in his or her opinion and report, making clear in the report the reason for his or her comments and the effect on the financial position and the financial transactions as recorded.

13. In no case shall the External Auditor include criticism in his or her report without first affording the Director an adequate opportunity of explanation on the matter under observation.
14. The External Auditor is not required to mention any matter referred to in the foregoing which, in his or her opinion, is not material.

**ARTICLE 26**

The Director shall provide the External Auditor with the facilities he or she may require in the performance of the audit.

**ARTICLE 27**

1. The External Auditor shall issue a report on the audit of the financial statements, and relevant documents, which shall include such information as he or she deems necessary in regard to matters referred to in Article 25.

2. The External Auditor’s reports shall be submitted to the Board, together with the audited financial statements. The Board shall examine the financial statements and the audit reports.

**CHAPTER X**

**FINAL PROVISIONS**

**ARTICLE 28**

The Director may delegate to other officials of the Centre such authority as he or she considers necessary for the effective implementation of these Regulations.

**ARTICLE 29**

Rules made by the Director in order to give effect to the provisions of these Regulations shall be communicated to the Board for approval.

**ARTICLE 30**

These Regulations may be amended by the Board after consultation with the Governing Body of the International Labour Office.

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