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(CIDI)



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FINANCIAL STATUS OF THE INTER-AMERICAN NETWORK FOR LABOR  
ADMINISTRATION (RIAL) AS OF JANUARY 2021

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OF THE  
INTER-AMERICAN NETWORK FOR LABOR ADMINISTRATION (RIAL)  
AS OF JANUARY, 2021**

(Updated: January 25<sup>th</sup>, 2021. All monetary figures are in US dollars)

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**I. Summary**

The RIAL is currently financed through a Voluntary Contribution Fund, created by a decision of the Inter-American Conference of Ministers of Labor (IACML) and constituted within the OAS since 2011. The Fund receives contributions from the Ministries of Labor, according to their availability and financial capacities, at any time of the year; the minimum contribution is US \$5,000.

Between 2006 and 2010, before the creation of the Fund, the RIAL was financed with an important financial contribution from the Labour Program of ESDC/Canada, as detailed in Appendix 1.

The Voluntary Contribution Fund has received US\$**919,641** to date; 21 countries provided \$566,641 and the Government of Canada provided \$353,000. Added to these resources is co-funding of approximately **\$361,000**, for a total budget of **\$1,280,641**.

Decisions on the use of the fund, in accordance with its Guidelines, are made at the Planning Meetings of the IACML, which are held immediately after each conference and include the participation of the Ministries that lead the Conference: the troika (past, present and future Chairs) and the Chairs and Vice Chairs of the Working Groups. Since the last IACML in 2017, annual Planning Meetings have taken place to assess the completion of the IACML Work Plan, review the RIAL financial status, and decide on the use of available resources. In May, 2020, an extraordinary authorities' meeting was held to review and adjust the IACML Work Plan in light of the crisis generated by the Covid-19 pandemic. A meeting of authorities will be held in January 2021, for which this report has been prepared.

The resources of the RIAL are divided into two areas: RIAL Activities (Workshops, Bilateral Cooperation, etc.) and operating costs, which partially cover the human-resources component of the RIAL and include administration, follow-up and communications.

Spent resources to date, amount to **\$1,130,820** coming from the Voluntary Contribution Fund (\$769,820, including Canada's contribution) and other in-kind contributions valued at \$361,000. In

addition, and based on decisions made during the 2018, 2019 and 2020 Planning Meetings, currently, \$68,500 have been budgeted to fund activities for 2020 and 2021 of the IACML Work Plan. This would leave the Fund with a balance of \$81,321. However, the budgeted resources include activities that have been modified due to the pandemic (for example, bilateral cooperation activities that will take place virtually), which is why this balance may change.

## II. Contributions

To date, 22 Ministries of Labor have contributed to the Fund. As shown in **Chart No. 1**, some countries have made more than one contribution, and others have contributed much more than the established minimum. Canada has made two important contributions: \$200,000 between 2012-2014 and \$153,000 for 2018-2020. Given the large amount of the contributions, two separate project were established for accounting purposes, but its use was also decided upon by IACML authorities.

**Chart No. 1**  
**Contributions received by country**  
*(In US dollars)*

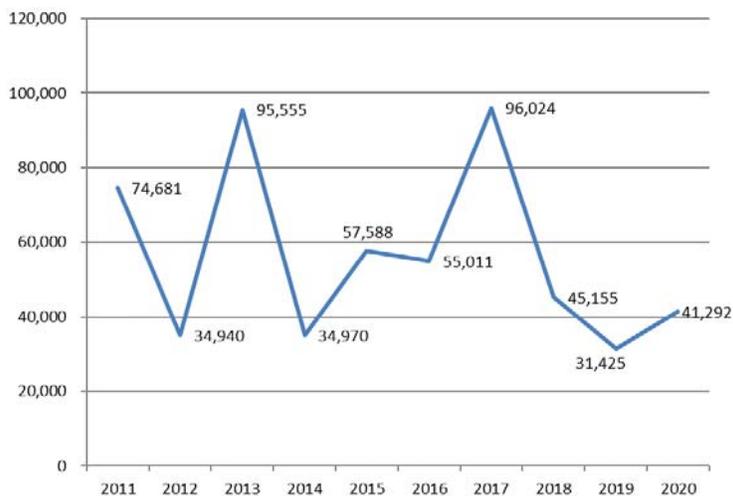
Country	Amount	Year
1. Argentina	29,700	2011
2. Bahamas	45,000	2011, 2012, 2016, 2017, 2019
3. Barbados	50,000	2011 to 2020
4. Belize	7,492	2011, 2013
5. Bolivia	34,995	2013 to 2018, 2020
6. Brazil	43,129	2013
7. Colombia	7,669	2015
8. Chile	10,000	2016, 2017
9. Ecuador	10,000	2011, 2013
10. El Salvador	5,000	2015
11. Grenada	25,000	2016-2020
12. Guyana	21,840	2016, 2017
13. Jamaica	19,970	2012, 2013, 2014, 2015
14. Mexico	19,194	2011, 2013, 2014, 2015
15. Panama	35,000	2011, 2013, 2015-2018, 2020
16. Paraguay	29,762	2015 to 2019
17. Peru	44,730	2012-2020
18. Dominican Republic	24,894	2012, 2013, 2018 - 2020
19. Saint Kitts and Nevis	8,285	2017, 2019, 2020
20. Suriname	4,980	2011
21. Trinidad & Tobago	90,000	2011 to 2018, 2020
<b>TOTAL contributions to Voluntary Fund</b>	<b>\$ 566,641</b>	
21. Canada	\$353,000	2012-2014, 2018-2020
<b>TOTAL</b>	<b>\$919,641</b>	

Annual contributions vary considerably, as shown in Chart No. 2 and Graph No.1. Over the past three years, contributions have been low, but have been compensated by Canada’s contribution for 2018-2020. It is noteworthy that in 2020, a very difficult year for all Ministries, contributions in excess of \$40,000 were received. The Ministries of Labor of Trinidad & Tobago, Barbados and Peru have informed the Technical Secretariat that this item is already included in their annual budgets. It is expected that others may follow.

**Chart No. 2**  
**Contributions received by year to the Voluntary Contribution Fund**  
*(In US dollars)*

<b>Year</b>	<b>Amount</b>	<b>Canada’s contribution</b>
2011	74,680.5	
2012	34,940.0	200,000.0
2013	95,555.4	
2014	34,970.0	
2015	57,588.1	
2016	55,011.0	
2017	96,023.6	
2018	45,155.0	153,000.0
2019	31,425.0	
2020	41,292.5	
<b>Total contributions</b>	<b>566,641.4</b>	<b>353,000.0</b>

**Graph No. 1**  
**Contributions received by year to the Voluntary Contribution Fund**  
*(In US dollars)*



In-kind or financial contributions which have not entered the OAS accounting -valued in \$361,000-, have allowed for the development of RIAL activities and should be accounted for as part of total contributions.

### III. Expenditures

The authorities of the IACML, in accordance with the Guidelines of the Voluntary Contribution Fund, determined the allocation of the Fund's resources during the Planning Meetings of 2012, 2014, 2016 and 2018, dividing them among Hemispheric Workshops, bilateral cooperation activities, studies, communications and operation costs, the last of which partially cover RIAL's human resources. The Authorities held three virtual meetings in January, 2019; February and May, 2020 where, among other topics, they reviewed the financial situation of the RIAL and took decisions on resource distribution. The last meeting in May, 2020, was held explicitly to review and adjustment the IACML Work Plan in light of the Covid-19 pandemic.

RIAL's expenditures between 2011 and January 2021 total \$1,130,820, which come from the Voluntary Contribution Fund (\$769,820, including Canada's contribution) and from other in-kind contributions made by OAS, governments or partner international organizations, calculated at \$361.000 as specified in Chart No. 3.

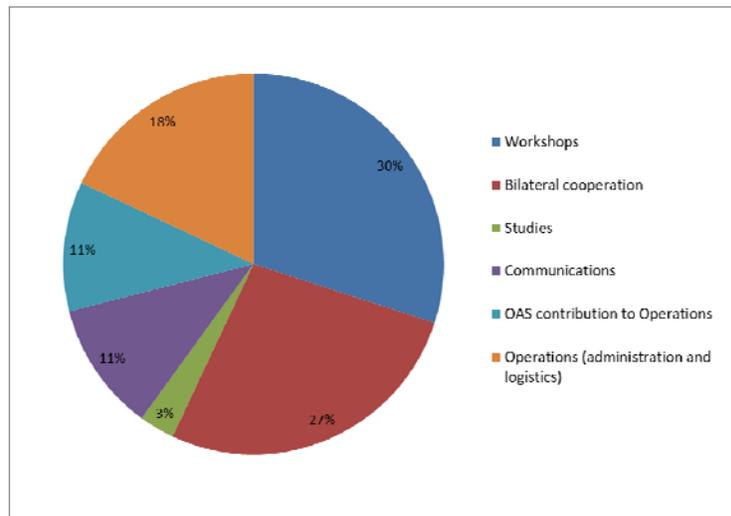
**Chart No. 3**  
**Total costs by category and funding source**  
*(In US dollars)*

CATEGORY OF COST	SOURCE			Total
	Voluntary Contribution Fund (excluding Canada)	Contribution from Canada	Other support (in-kind or direct)	
Workshops*	128,076	69,780	145,000	342,856
Bilateral cooperation*	177,754	105,257	20,000	303,012
Studies	20,000	9,500	10,000	39,500
Operations (administration)	133,889	70,913	120,000	324,802
Communications	25,000	29,650	66,000	120,650
<b>TOTAL COSTS</b>	<b>\$484,720</b>	<b>\$285,100</b>	<b>\$361,000</b>	<b>\$1,130,820</b>

Appendix 2 expands on this Chart and provides details about past costs according to their funding source, including resources that have been leveraged for each activity.

Figure No. 2 shows the distribution of expenses according to their component. The operation component is divided in 2: 1) the part that the OAS has covered in salaries of a consultant that supports the administration and logistics of the RIAL, and 2) the part that the RIAL Fund has covered for the same purpose. The time of the Coordinator of the RIAL is not counted.

Figure No. 2  
Distribution of RIAL expenditures



Some important facts about costs:

- Average cost of a 2-day RIAL in-person Workshop: \$31,000. Includes costs of simultaneous interpretation, equipment, materials and travel expenses covered by RIAL, host country or partner institution (Human resources not included). The cost of a virtual activity of approximately 4 hours is \$3,000, including platform and simultaneous interpretation.
- Average cost of an in-person cooperation activity: \$5,600. Includes travel expenses in terms of airfare ticket, accommodation and meals (Human resources not included).
- Operating costs, which as shown in Figure 1 are 29% of the total (distributed between the OAS with 11% and the RIAL Fund with 18%), refer to administration and follow-up on activities. That is, they concentrate the human-resource component of the RIAL and are essential for its development. Within the Covid-19 pandemic, the RIAL designed two new products: The Portfolio of Responses from Ministries of Labor to the Covid-19 pandemic, and the Repository of Guidelines and Protocols for reopening and Return to Work, both human-capital intensive and which were covered by this item. In terms of the Guidelines of the Fund, 15% of contributions are designated for operating expenses, up to a maximum of \$50,000 annually. Current level of contributions is insufficient to cover RIAL's operating costs, which is why the OAS has provided an important amount of resources. OAS contribution has increased in recent years and until March 2020, when IACML authorities authorized \$35,000 of the Voluntary Fund to cover this item in 2020.
- The OAS supports the RIAL's coordination in kind, which is calculated at approximately \$80,000 annually and is not included in the amounts reported in this report.
- RIAL's component of communications includes updating the website and the Portfolio of Programs, the elaboration of newsletter and social media managing. It is a component with increasing relevance, currently representing 11% of the RIAL's expenses. As for the operations component, the OAS has provided important resources to the communications component. This contribution represents half of total communications costs.

- The costs of Workshops and cooperation activities have been reduced relative to the 2006-2010 period, where they were \$55,000 and \$6,500 respectively. In the case of Workshops, this is due to co-funding travel expenses for participants (the Ministry covers some costs and the RIAL others). In the case of bilateral cooperation activities, this is due to stricter criteria for the selection of participants and a cap of maximum three delegates per activity. During 2020, the first virtual hemispheric activities (Working Group Meetings and Gender Dialogue) and virtual bilateral activities were carried out with very good results. It is worth mentioning that the decision to transfer face-to-face cooperation to the virtual space must consider the objectives and expected results, as some cooperations cannot be carried out virtually.
- The Fund's expenses have been consistently lower than the budgeted amounts, especially for Hemispheric Workshops, given important leveraging of resources.

#### IV. Budgeted resources for upcoming activities

At Planning and Authority Meetings in 2018, 2019 and 2020, resources were budgeted for all activities in the 2018-2020 Work Plan (extended to 2021). Most of the budgeted resources have already been spent, as detailed in this Report. The resources that remain to be executed are presented below.

The replacement of the Workshop on Gender Mainstreaming originally scheduled in the Work Plan, which was cancelled, is worth highlighting. Based on a proposal presented by the Technical Secretariat at the IACML Working Group Meeting in 2020, the Workshop was replaced by the first Virtual Dialogue between gender units or areas of the Ministries of Labor, held in November, 2020, and a Virtual Course on gender-based violence at work that will be launched during 2021. These activities are covered by Canada's RIAL project.

**Chart No. 4**  
**Budget approved for activities of the 2018-2021 IACML Work Plan in 2021,**  
**Per funding source**

Activity	Approved budget of the RIAL	Canada Project	In-kind or to define in the future
RIAL Study - Gender Mainstreaming in Labor Ministries*		7,500	
Course on Gender-based Violence in the Workplace (originally RIAL Workshop - Gender Mainstreaming)		32,000	Educational Portal of the Americas and I-A Commission of Women (CIM)
Virtual Meeting of IACML Authorities (January 2020, May 2020, and January 2021)			OAS
Virtual Meeting of the Working Groups (Sept. 2020)			OAS
2nd Preparatory Meeting of the XXI IACML			Argentina and OAS
XXI IACML			Argentina and OAS
Activities of the 13 <sup>th</sup> RIAL Call (2020-pending)^	12,000	20,000	OAS
<b>TOTAL:</b>	<b>\$12,000</b>	<b>\$56,500</b>	

\*Budgeted amount only for printing.

^In the 13th Call for Proposals, 5 activities were selected and, to date, only one could be carried out virtually by agreement of the parties. In the other cases, the countries have preferred to wait to carry out the activity in person to ensure compliance with the objectives. Two activities would be covered by the RIAL Fund (approximately \$12,000) and the remaining two with the Canadian project for the RIAL.

## **VI. Outlook and available resources**

Summarizing what has been reported, the total budget of the RIAL between 2011 and 2020 is **\$1,280,641**, consisting of **\$919,641** from contributions from 22 countries to RIAL's Voluntary Fund and **\$361,000** of in-kind co-funding resources.

Spent resources to date, amount to **\$1,130,820**. In addition, and based on decisions made during the Planning and Authorities Meetings, resources in the amount of **\$68,500** have already been budgeted to fund activities for 2021 of the IACML Work Plan. Therefore, the Fund's balance is **\$81,321**.

As noted in previous reports, although the situation seems positive, it is mainly because of Canada's contribution in 2018 of \$153,000. Therefore, it is imperative that the commitment from all countries to ensure the sustainability of the RIAL be reaffirmed. To date, 22 of the 34 OAS Member States have made contributions to the Fund, while all of them have participated in the RIAL.

In addition, the new provisions on Indirect Cost Recovery (ICR) of the OAS require that 13% be charged for this concept to new contributions.

The Fund should have a budget of no less than \$120,000 per year to guarantee continuity of actions, according to the standards that have been established. Thus, contributions should be reinforced.

The RIAL calls on Ministries of Labor to make contributions in accordance with their national capacities. In this sense, it is hoped that more developed countries with more robust economies will make contributions above the established minimum of \$5,000 per year.

## APPENDIX 1

### 2006 - 2010 Period

The establishment of the RIAL and most of its activities in the period 2006-2010 were funded from a large contribution by the Canadian Labour Program, provided under four agreements with the OAS for a total of US\$1.35 million. This funding covered RIAL's activities and basic operating costs.<sup>1</sup>

*Contribution by the Canadian Labour Program to the RIAL*  
2006-2010

Agreement	Can\$	US\$
RIAL 1 (2006)	65,844.45	56,483.91
RIAL 2 (2006 - 2007)	310,800.00	265,812.91
RIAL 3 (2007 - 2008)	275,280.00	261,251.79
RIAL 4 (2008 - 2010)	890,000.00	771,851.92
<b>TOTAL</b>	<b>\$1,541,924.45</b>	<b>\$1,355,400.53</b>

During this period, financial contributions from the United States, Mexico, Argentina, and Brazil were also received. Additionally, the OAS has contributed financial resources for RIAL's coordination and operations.

*Other financial contributions to the RIAL*  
May 2006- July 2010

County/organization	US\$	Description
United States	171,680.00*	Most bilateral activities in 2006, contribution to the labor dimension workshop (July 2006), and co-financing of the youth workshop (May 2008) and bilateral coop in 2010
Mexico	15,000.00	Employment services workshop (November 2006)
Argentina	12,000.00	Bilateral activities co-financing
Brazil	33,900.00	Bilateral activities and youth workshop (May 2008) co-financing
OAS	320,000.00	RIAL coordination and operation
<b>TOTAL</b>	<b>\$552,580.00</b>	

<sup>1</sup> Operating expenses included the hiring of a person full time as technical and administrative support and a person part-time, who administers and updates the web page.

**APPENDIX 2 - DETAILS OF COSTS BY FUNDING SOURCE, 2011 TO JANUARY 2021 (In US dollars)**

Item	Voluntary Contribution Fund	Canada's Contribution	Other Support	Total	Sources of "Other support"
<b>Hemispheric workshops</b>					
Workshop on Freedom of Association - Washington, DC. Oct. 2011	8717		10000	18,717	OAS
Workshop on Child Labor - San Jose, Costa Rica, Feb. 2013		37695	4000	41,695	Costa Rica
Workshop on More Just Labor Conditions - Bahamas, Apr. 2013	24112		12000	36,112	Bahamas
Workshop on Formalization - Barbados, Sept. 2014	16266		25000	41,266	USA and Barbados
Workshop on Social Protection and Employment - Mexico, Dec. 2014	5977		25000	30,977	Mexico, CISS, RIPSO, GIZ
Workshop on Inspection - 2015 (substituted by Webinars)	1002			1,002	
Webinar - Virtual Platform		2185		2,185	
Intersectoral Workshop on Youth Employment - Brasilia, Dec. 2014	18617		25000	43,617	Brazil, DCF/OAS
Workshop on Labor Migration - San Jose, Costa Rica, July 2017	12638		6000	18,638	IOM and ILO
Workshop on Compliance - San Jose, Costa Rica, Dec 2018		27700	8000	35,700	ILO
Intersectoral Workshop on Skills for the future - Santiago, Chile, Dec. 2018	27021		14000	41,021	Chile and ILO
*Meeting of IACML Working Groups - Quito, Ecuador, Dec. 2019	13726		15000	28,726	Ecuador
*Virtual Dialogue on Gender Mainstreaming - Nov 2020		2200	1000	3,200	OAS
<b>Workshops Subtotal:</b>	<b>\$128,076</b>	<b>\$69,780</b>	<b>\$145,000</b>	<b>\$342,856</b>	
<b>Bilateral Cooperation</b>					
Activities of the 5th Call (2012) - 9 acts.	15112	30476	6000	51,588	Argentina
Activities of the 6th Call (2013) - 7 acts.		34639	2000	36,639	Argentina
Activities of the 7th Call (2014) - 8 acts.	25514	14343	4000	43,857	Argentina
Activities of the 8th Call (2015) - 7 acts.	36328		8000	44,328	Argentina, Canada
Activities of the 9th Call (2016) - 5 acts.	29043			29,043	
Activities of the 10th Call (2017) - 4 acts.	25320			25,320	
Activities of the 11th Call (2018) - 7 acts.	28825	5400		34,225	
Activities of the 12th Call (2019) - 7 acts.	15680	20400		36,080	
Activities of the 13th Call (2020) - Virtual	1932				
<b>Bilateral Coop Subtotal:</b>	<b>\$177,754</b>	<b>\$105,258</b>	<b>\$20,000</b>	<b>\$303,012</b>	
<b>Studies</b>					
Study on Bilateral and Multilateral Social Security Agreements	20000		10000	30,000	CISS
Study on Institutionalization of Gender Perspective		9500		9,500	
<b>Studies Subtotal:</b>	<b>\$20,000</b>	<b>\$9,500</b>	<b>\$10,000</b>	<b>\$39,500</b>	
<b>Communications</b>					
Website, Portfolio, Newsletter	20000	29650	60000	109,650	OAS
Publication 10th Anniversary of RIAL	5000		6000	11,000	OAS
<b>Communications Subtotal:</b>	<b>\$25,000</b>	<b>\$29,650</b>	<b>\$66,000</b>	<b>\$120,650</b>	
<b>Operations (administration)</b>					
Management and logistics (2011-2019)	129996	28990	120000	278,986	OAS
Indirect Cost Recovery	3893	41923		45,816	
<b>Operations Subtotal:</b>	<b>\$133,889</b>	<b>\$70,913</b>	<b>\$120,000</b>	<b>\$324,802</b>	
<b>TOTAL PAST AND PROJECTED COSTS</b>	<b>\$484,720</b>	<b>\$285,100</b>	<b>\$361,000</b>	<b>\$1,130,820</b>	