



**Fifth item on the agenda: Strengthening the ILO's capacity to assist its Members' efforts to reach its objectives in the context of globalization**  
(general discussion)

**Report of the Committee on Strengthening the ILO's Capacity**

1. At its first sitting on 30 May 2007, the International Labour Conference constituted the Committee on Strengthening the ILO's Capacity. The Committee held its first sitting on 30 May 2007. The Committee was originally composed of 175 members (80 Government members, 33 Employer members and 62 Worker members). To achieve equality of voting strength, each Government member entitled to vote was allotted 1,023 votes, each Employer member 2,480 votes and each Worker member 1,320 votes. The composition of the Committee was modified seven times during the session, and the number of votes allocated to each member was adjusted accordingly.<sup>1</sup>

<sup>1</sup> The modifications were as follows:

- (a) 31 May: 203 members (94 Government members with 1,314 votes each, 36 Employer members with 3,431 votes each and 73 Worker members with 1,692 votes each);
- (b) 1 June: 190 members (102 Government members with 1,855 votes each, 35 Employer members with 5,406 votes each and 53 Worker members with 3,570 votes each);
- (c) 4 June: 182 members (106 Government members with 1,419 votes each, 33 Employer members with 4,558 votes each and 43 Worker members with 3,498 votes each);
- (d) 5 June: 179 members (107 Government members with 429 votes each, 33 Employer members with 1,391 votes each and 39 Worker members with 1,177 votes each);
- (e) 6 June: 168 members (108 Government members with 11 votes each, 33 Employer members with 36 votes each and 27 Worker members with 44 votes each);
- (f) 8 June: 168 members (110 Government members with 15 votes each, 33 Employer members with 50 votes each and 25 Worker members with 66 votes each);
- (g) 13 June: 168 members (111 Government members with 800 votes each, 32 Employer members with 2,775 votes each and 25 Worker members with 3,552 votes each).

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2. The Committee elected its Officers as follows:

*Chairperson:* Mr J.-J. Elmiger (Government member, Switzerland) at its first sitting

*Vice-Chairpersons:* Mr A.W. Tabani (Employer member, Pakistan) and Mr R. Trotman (Worker member, Barbados) at its first sitting

*Reporter:* Mr S. Kaasjager (Government member, the Netherlands) at its 11th sitting

3. The Committee held 14 sittings.
4. The Committee had before it Report V, entitled *Strengthening the ILO's capacity to assist its Members' efforts to reach its objectives in the context of globalization*, prepared by the Office on the fifth item on the agenda of the Conference.

## Introduction

5. The Chairperson thanked the Committee for the confidence it had placed in him and expressed his hope that together they would achieve a positive result in a timely manner. Noting the wide range and complex nature of the issues to be addressed, he asked the Committee to strive for consensus and to seek solutions acceptable to all. He suggested an interactive and participatory approach to the development of conclusions, which would enable clear links to be established between the report of the Committee's deliberations and any agreed conclusions.
6. The Special Adviser to the Committee made some preliminary remarks on behalf of the representative of the Secretary-General, who could not attend the first sitting. He noted that while the consultations leading to the report had been extensive, they had not been as broad as some might have wished. Nonetheless, this level of consultation prior to a general discussion report was unprecedented. The report attempted to reconcile the different concerns that arose from the consultations, and this had led to a delay in finalizing the report. In this regard, the representative of the Secretary-General wished to apologize to the Committee, hoping that it would understand that the time spent preparing the text would benefit the discussion. He recalled that, despite the preparations and historic significance of the Committee, this was nonetheless a general discussion with limited ambitions. At this stage, it should attempt to find an acceptable way forward on reform by identifying in a preliminary manner reforms or options on which consensus could be reached, and to ensure that this consensus did not represent the lowest common denominator. He also pointed out that it was not the role of the Committee to finalize the means of implementing the solutions and reforms envisaged: it would be for the Governing Body to deal with those, should a consensus emerge on the principles and acceptability of such solutions.
7. In presenting the report, the Special Adviser explained that the lengthy title reflected the consultations held before the item was placed on the Conference agenda and the concerns that the item should focus on the ILO's institutional capacity and not become a general debate on globalization. He proposed that Chapter 5 be discussed before Chapter 4 as it addressed the possibility of an authoritative document, which needed to be closely linked to the discussions on vertical and horizontal governance. External governance, dealt with in Chapter 4, would not need to be reflected in such a document.
8. Turning to Chapter 1, the speaker explained that the present Committee had an historic opportunity to hold a long overdue discussion on the role of the ILO in a world radically

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changed since the adoption of the Declaration of Philadelphia in 1944. This was also a historic opportunity for the International Labour Conference to examine its potential role in the selection of priorities and the evaluation of results achieved. Strengthening the ILO also meant strengthening its constituents, and was a matter of making globalization sustainable and avoiding a protectionist backlash by delivering social progress for all. The very success of the Decent Work Agenda had raised expectations, and the ILO needed to be able to deliver to remain credible. This implied not only results-based management but also strengthening governance. The momentum of United Nations (UN) reform, to which the ILO had already contributed, made it increasingly important for the ILO to maintain its specificity in the process. The ILO needed to strengthen its role at the international level and that of the tripartite constituents at the national level.

9. The Special Adviser noted that strengthening capacity did not mean imposing new obligations or uniform solutions on Members. Globalization was a dynamic phenomenon propelled by technological change; achieving the ILO's strategic objectives would require a dynamic process of encouragement and guidance. Tripartism and social dialogue, coupled with the ILO's rich panoply of means of action, including normative action, were more relevant now than ever. The challenge was to optimize their potential. It was a matter of governance. Governance could be divided into three dimensions: vertical, horizontal and external. Strengthening vertical governance implied better connecting priorities and means of action to the needs of Members. Horizontal governance meant recognizing the interdependence and complementarity of the ILO's strategic objectives so as to give better advice and service to member States. External governance related to the emergence of influential actors beyond the ILO's constitutional reach, and addressed the question of how the ILO could use the authority of its tripartite structure to influence these other actors in promoting its strategic objectives. The general discussion was intended to provide a sense of the Committee's expectations with regard to those issues.
10. Chapter 2, which focused on vertical governance, noted the lack of a systematic method of collecting and disseminating knowledge related to the strategic objectives and of analysing trends and making these available to constituents and the general public. Knowledge was not an end in itself, but a necessary tool to meet constituents' needs. Those needs had to be identified before deciding on priorities and, in particular, before fixing the agenda of the Conference. Current practices were not inherent to the Constitution, but were working methods which could be changed. Solutions to the double deficit in vertical governance could include cyclical reviews to update knowledge on trends in each strategic objective. Such reviews would replace an item on the Conference agenda, and would draw on article 19 general surveys. The discussion of the cyclical reviews would allow the Conference to formulate a plan of action which would be transmitted to the Governing Body and to review and evaluate achievements at the beginning of the subsequent cycle. Additional "positive externalities" from such a process would include the simplification of the fixing of one item on the Conference agenda, and the possibility of giving much greater visibility and impact to article 19 general surveys.
11. Chapter 3 addressed deficits in the ILO's horizontal governance, that is the imbalance between the ILO's capacity to promote each of the strategic objectives individually and its capacity to provide guidance and support to Members through addressing the strategic objectives together. That imbalance was not sustainable as it left to other organizations the task of providing policy advice on reconciling the objectives or making trade-offs among them. That undermined the concept of Decent Work as a set of interdependent objectives to be promoted jointly. The ILO tripartite structure could contribute to greater understanding of the interdependence of the strategic objectives, for example, through voluntary country studies, in which the synergies among the strategic objectives could be examined. Decent Work Country Programmes (DWCPs) could be better used to deliver technical cooperation in a manner that promoted an integrated approach to Decent Work

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objectives. Policy encouragement and guidance could be provided for all Members through a possible “authoritative document”. While the latter option might be for some future Conference to consider, the building blocks for a possible “outcome document” were contained in Appendix I of the report.

12. Chapter 5 dealt with the elaboration of a possible authoritative document. The speaker commented on the possible form and legal status of such a document both from the viewpoint of impact and process. He concluded his remarks by noting that an overview of Chapter 4 on external governance would be provided at a later time.

## **General discussion**

**Preface      A stronger ILO: Meeting the need for a social dimension of globalization through the Decent Work Agenda**

**Chapter 1    Strengthening the ILO’s institutional capacity: A question of governance**

13. The Employer Vice-Chairperson emphasized the importance of the subject for the future of the ILO. Strengthening the ILO’s capacity to assist its Members would be achieved by raising its global profile, linking employment creation with poverty reduction as one of the targets for the implementation of the Millennium Development Goals (MDGs), institutionalizing the Decent Work Agenda and creating synergies with other multilateral organizations to advance the goal of Decent Work. It would also call for improving governance by reform within the Office itself and streamlining the work of the Governing Body and the Conference. In order to increase the effectiveness and efficiency of the Conference, the Governing Body and the Organization, constituents had to be clear about what they needed from the ILO, and to consider what internal reform was necessary to meet their needs on the ground. This was not simply a question of adding to the ILO’s agenda, but of reviewing, reforming, changing or replacing, where necessary, what the ILO did and how it was currently doing it. “One UN” reform made it necessary for the ILO to declare its determination to increase its effectiveness by streamlining its activities and harnessing its means of action to attain its mandated objectives and work collaboratively with other organizations.

14. In order to maintain its relevance, the ILO should help to generate employment by encouraging a positive investment climate through its work in labour market regulation and institutions, labour relations and human resources development. In order for the strategic objectives to be addressed together as effectively as possible, the ILO should integrate work across sectors. Increased resources should be allocated to employment generation. At national level, constituents and labour ministries had a key role to play in more effective integration of economic and social policy developed by national planners. The value of tripartism needed to be recognized in other ministries as well as the ministry responsible for labour questions. The cyclical reporting proposal should be driven by national priorities, since the relative importance of each of the four components of Decent Work varied by country. Governments party to decisions taken on a tripartite basis within the ILO should reflect those positions elsewhere in the UN and the multilateral system in accordance with their respective economic conditions. Proposals were needed that would encourage governments to take tripartism seriously and to consider implementing the decisions taken in the ILO. Action was required to strengthen tripartism in the ILO and its governance institutions. Qualified applicants with practical knowledge of the world of work, whether from a business, worker or government background, should be recruited to

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all ILO departments. Strong and effective social partners were essential for achieving global objectives, especially Decent Work objectives. The ILO should be realistic in identifying needs and allocating resources to enhance the capacity of the social partners and government services to work in partnership to carry forward policy integration at national level. The resolution concerning tripartism and social dialogue adopted at the International Labour Conference (ILC) in 2002 and the guidelines for the involvement of the Bureau for Employers' Activities (ACT/EMP) and the Bureau for Workers' Activities (ACTRAV) needed to be effectively implemented. Timely consultations with constituents on programme development and delivery, as well as accommodation of their views within ILO thinking, should be the rule. Given the changed economic, social, technological and political environment, a more flexible approach to standard setting was required, with more efficient promotion and application methods. Many Conventions had not been widely ratified and implemented owing to poor subject selection, narrow majority support, poor preparation and excessive detail. In order to enhance the ILO's knowledge base, the Office must adopt an integrated strategy to recruit and reward staff with the right knowledge to do the job. It should focus on the world of work and identify labour market policies that encouraged investment as the most effective means of generating work and building capacity in labour market institutions, promoting entrepreneurship and enterprise activity in a business climate that rewarded competitiveness. Only where enterprises succeed can jobs be created, poverty reduced and governments given the means of action to effect wider social and economic improvement. The knowledge base had to be rooted in fact and rigorous analysis with quantitative and qualitative data. Debate and constant testing of policy against factual evidence should be encouraged. The ILO must explore public-private partnerships as a means to attract good partners for good programmes. Constituents should be involved in securing extra-budgetary resources. Constituents needed to understand and support funding initiatives and donors also had to better understand constituents' requirements. The ILO should avoid forcing its point of view on other agencies, but rather educate them to understand that strengthening a State's capacity to implement and enforce a social policy could help agencies attain their own objectives as well.

- 15.** The ILO needed a clear programme and strategy that warranted funding. The speaker stressed the role of the Governing Body, not only in determining the programme and budget of the ILO, but also in addressing issues of Conference and Governing Body reform as well as modalities with regard to policies adopted by the Conference. The current debate should contribute to the process of developing a strategic policy framework for the ILO that could be supported by all. New ideas should be explored in the efforts to improve governance, but proposals should be capable of being implemented. Results-based management should provide the tools to effect real improvements in the world of work, beginning with job opportunities. The ILO should ensure that all governments were able to participate fully in the debate. The discussion was a unique opportunity to review the current orientation of the ILO in the light of changes in the world of work, and to find a sustainable space for the Organization in the reform agenda of the UN. The Committee should focus on how to strengthen the role of the ILO in assisting its constituents. Consideration of a possible authoritative document should be the last consideration as it was necessary to be clear as to what was wanted before trying to decide how best to articulate it.
- 16.** The Worker Vice-Chairperson agreed that the Committee was examining the most important Conference agenda item of the past two decades and expressed the hope that governments concurred. The aim was not to discuss the ILO's Constitution and mandate or to redefine tripartism and the normative work of the ILO, but rather to strengthen tripartism and make the ILO's work more effective by exploring practical approaches to strengthening the Organization and increasing the capacity of its constituents. The speaker recalled the exemplary collaboration among the three groups during Governing Body

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debates over the previous four years and urged governments to recognize the considerable work accomplished by the government regional coordinators in that process. The current Committee provided an opportunity to heighten the relevance of the ILO at a time when it was being closely examined along with other UN agencies in the process of UN reform. The ILO's specialized role could not be taken up by others.

- 17.** The Workers' group had clear expectations with regard to the work of the Committee. They accepted the fact that something was lacking and that the lack could be corrected if the constituents worked together. The Committee would not redefine the mandate of the ILO, but rather would address how best to fulfil that role. The Workers' group fully accepted the need to link vertical and horizontal governance. Discussions should not end with the closing of the present session of the Conference, but should lead to further discussions in 2008. The Worker members clearly wished to see an authoritative document that would reaffirm the relevance of the ILO.
- 18.** The Worker Vice-Chairperson observed that while the concept of Decent Work was widely recognized, commitment was still needed to align national policies and the policies of international institutions more coherently with the Decent Work Agenda. Also, the importance of tripartism for the governance of globalization was not yet fully understood beyond the ILO. Globalization was far from securing an equitable redistribution of the benefits of economic growth. Even the Board of Directors of the World Bank had recently affirmed that while economic growth was a crucial element for poverty reduction, growth in many developing countries had not always been associated with improvements in labour market conditions. Employment creation had been slow to materialize and workers were trapped in low productivity and low-paid jobs. The international community increasingly recognized the importance of creating quality employment for the "shared growth" agenda. The ILO should reaffirm its relevance, especially in reference to its unique role in standard setting, its supervisory system and its tripartite structure. Governments committed to distributing fairly the benefits of globalization through more and better jobs should commit to coordinating macroeconomic and social policies with systems of collective bargaining based on social dialogue. The speaker observed that the effective rights of workers to organize, join trade unions and bargain collectively were important in both industrialized and developing countries. Where unions existed and bargained, there was less low pay, more secure work, more training, less corruption, more efficient economies and more just societies. Today, the concepts of negotiation and compromise were undervalued, but dialogue produced better results than unilateralism and the ILO's constituents should not be defensive about the process or outcomes of dialogue.
- 19.** The Workers' group was mindful that the Committee discussions were taking place against the backdrop of UN reform. There was a need for better coordination among the various international agencies. To reaffirm the centrality of Decent Work was a means to maintain the ILO and its tripartite structure firmly anchored in the UN system.
- 20.** Turning to internal governance, the speaker pointed to the need for a closer relationship between country-level activities and the discussions held at the Conference. There was a need to allocate adequate resources for research and information sharing to address difficulties faced by countries, and to provide a basis for assistance to them.
- 21.** The ILO needed to reaffirm its status as the institution which provided clear and informative analysis of the world of work in all its aspects, and which was able to address Decent Work deficits through standards, policy coherence, policy design, and technical cooperation. Cross-cutting analysis and research on gender equality and development was an important component of the package. Freedom of association and collective bargaining were enabling rights for the establishment of strong and independent social partners whose

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collaboration could lead to the preparation and application of social and economic measures, as advocated by the Declaration of Philadelphia.

- 22.** In the Worker members' view, the natural follow-up to this general discussion would be the adoption of an authoritative document in the course of the ILC in 2008. Such an outcome would provide governments with a reference framework for their socio-economic policy. While the Workers' group would strongly prefer a Convention, the speaker reaffirmed the group's keen desire to build the widest consensus with the Government members and Employer members and would give careful consideration to the views of the other parties. The Workers' group was committed to achieving consensus to move the process forward in order to strengthen the ILO's capacity to meet its Members' needs more effectively.
- 23.** The Government member of Germany spoke on behalf of the Governments of Member States of the European Union (EU) (Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, United Kingdom). The Government members of Albania, Bosnia and Herzegovina, Croatia, Republic of Moldova, Montenegro, Serbia, The former Yugoslav Republic of Macedonia, Turkey and Ukraine had aligned themselves with her statement. The speaker stressed the importance that the EU attached to strengthening the ILO's capacity and expressed support for the ILO's efforts to engage its constituents in a discussion on the topic. However, the procedure applied by the Office had given rise to some questions and the late reception of the report had not facilitated preparations for the Committee. The speaker welcomed the numerous references to concepts of key importance to the EU such as the social dimension of globalization, Decent Work, the social dimension of EU regional integration, the principle of solidarity through technical cooperation, as well as promotion of the ILO's core labour standards as part of the promotion of Decent Work. It was important to address principles of coherence through the broadening of statistical services and the knowledge base, as well as increased multilateral cooperation, UN reform and the "One UN". The EU also supported stronger cooperation between the EU and the ILO. Addressing the employment and social dimensions of globalization in an integrated way was of paramount importance in the context of an open trade regime and of effective development and poverty reduction strategies, as was recently recognized by the ILO and the World Trade Organization (WTO) in their joint study on trade and employment. The ILO should make stronger use of its comparative advantages, such as its tripartite structure, effective supervisory system for standards as well as technical cooperation, which were also more and more present in EU agreements as well as in the cooperation and dialogue with third countries and regions. In that regard, the EU was reforming its external assistance in order to reflect better the needs and priorities of partner countries and to improve donor coordination. Development and external assistance cooperation at the country level were very relevant issues for the ILO and its constituents.
- 24.** The speaker encouraged the ILO's efforts to create an operative framework for the Decent Work Agenda and referred to numerous relevant multilateral efforts and agreements to promote Decent Work through international and regional bodies. In that regard, the EU welcomed the report's reflections related to better governance and capacity building, methods of coordination, and dialogue as well as the exchange of best practices. The current discussions might take two sessions of the Conference to complete, as Members would need time to achieve consensus on objectives, methods and results before discussing the appropriateness of an authoritative outcome document and the form such a document might take. The speaker proposed that the Committee develop a preliminary outline in order to allow the Office to continue its work. The Office might consider setting up intersessional tripartite consultations to consolidate the outline further. The Government

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members of the Committee Member States of the EU were ready to conduct an open-minded discussion, in particular focusing on the proposed cyclical progress reviews, their creation, their role relative to other reports and relative to existing standards supervision and reporting machinery, as well as standard-setting activities. They were ready to contribute actively to making significant progress in ensuring concrete and forward-looking results.

- 25.** The Government member of Switzerland welcomed the historic opportunity to strengthen, rationalize and integrate the work of the ILO around the concept of Decent Work. Decent Work had been taken up by numerous intergovernmental bodies, including the UN Economic and Social Council (ECOSOC), as a key means to combat poverty and achieve the MDGs. His Government supported the revitalization of the standard-setting process through the idea of cyclical reviews. These would better structure debates and streamline the reporting burden. It was necessary to distribute tasks among the ILO decision-making bodies in such a way as to promote synergies and avoid overlaps. The idea of a peer review was interesting but might be difficult to implement; he therefore encouraged the Committee to analyse the feasibility of such a system. The speaker expressed support for reforms which would help developing countries implement Decent Work, and stressed that some measures could be taken further, such as aligning the DWCPs to national priorities, integrating Decent Work into the United Nations Development Assistance Framework (UNDAF), and the involvement of other UN agencies in the Decent Work Agenda. Strengthening the ILO's capacity was linked to developments in the international community and required the ILO to dialogue with other actors. He underscored the essential importance of tripartism, as only reforms supported by workers, employers and governments would have any chance of being implemented.
- 26.** The Government member of the United States stressed the continued importance of the ILO and the efforts to strengthen its capacity. Its mandate, as expressed in the Constitution, the Declaration of Philadelphia, the 1998 Declaration on Fundamental Principles and Rights at Work and its Follow-up (hereafter "the 1998 Declaration"), and in the four strategic objectives, was still as relevant today as it was in 1919. The speaker regretted that the report did not reflect the views expressed by her delegation during informal consultations leading up to the Committee discussions, and that it focused on the responsibilities of member States rather than on the ILO's own capacities. The Office had already made progress in enhancing the ILO's statistical and research capacity and strengthening dialogue and cooperation with other international organizations, including financial institutions, and the Committee should endorse and encourage these efforts. The ILO should focus on its core mandate as embodied in the four strategic objectives as well as on ensuring the quality and success of its programmes and activities through credible monitoring and evaluation. The speaker supported the goals of vertical and horizontal governance in the report and appreciated the creative thinking that had gone into the proposals. However, the report failed to take account of many of the recent efforts to improve the Organization's capacity to deliver, such as the role that DWCPs play in defining constituents' needs at national level, the field structure review, ongoing Conference and Governing Body efforts to improve standards-related activities, and the joint action programmes laid out in the proposed Programme and Budget for 2008–09, aimed at fostering integration across the four strategic objectives. These developments must be taken into account. Similarly, the four sectors had a critical role in proposing means of greater integration and horizontal governance, and the speaker wondered what role they had had in the development of the report. The issue of funding raised in the report should be dealt with by the Conference Finance Committee and by the Programme, Financial and Administrative (PFA) Committee of the Governing Body. The added value of the work of the present Committee hinged on its ability to elaborate on how, operationally, the ILO could meet the needs of its constituents and fulfil its core mandate.

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The speaker welcomed the unique opportunity to develop concrete conclusions that would guide the Governing Body and the Office on ways to move forward.

- 27.** The Government member of Norway fully aligned his country with the statement of the EU. He thanked the Office for the report which dealt with the issues in a comprehensive and comprehensible way. Nonetheless, he warned against the ILO's propensity for turning political issues into technical questions on how to manage the Organization. While Norway was benefiting from globalization in its current form, both as a nation of consumers of cheaper imported goods and as a supplier of energy to other countries, it wanted to make globalization fairer. The speaker expressed his Government's support for the conclusion of the World Commission on the Social Dimension of Globalization, that globalization in its current form was neither morally acceptable nor politically sustainable. There needed to be a better distribution of the costs and benefits and of the risks and opportunities between social groups and generations, as well as between countries. Interdependence implied greater cooperation and better global governance. This meant giving priority and political support to fairer distribution, and this in turn required a significantly stronger ILO. This should be the goal of the debate at hand. His delegation preferred not to have a lengthy discussion at this stage on a possible authoritative document, but rather to concentrate on a substantial discussion on defining the results desired and the methods for reaching these objectives.
- 28.** The Government member of Canada welcomed the timely opportunity to discuss ways to make the ILO stronger, including through reforms in the areas of governance, management, priority setting and improvement of standards-related activities. Given the increasingly complex and fast-changing environment, there was a need for effective international labour standards and a vibrant international body to tackle the challenges faced in the world of work. The speaker supported the overarching goals expressed in the report, particularly the six objectives identified by the Director-General in the preface. There was a need to strengthen the ILO's identity, modernize and strengthen standard-setting capacity and the supervisory system, enhance the knowledge base and the overall ability to work with other institutions and actors, use resources more efficiently and strategically, and improve governance and methods of work. Adding new mechanisms and processes on top of existing structures and practices should be avoided. Streamlining and better focus, as emphasized in the report, were required. The Committee should focus on how to improve the ILO's means of action in order to fulfil its existing mission and objectives more efficiently. The speaker strongly agreed with the need to achieve better linkage between national needs and the means of implementing the four strategic objectives, and a more integrated approach in their promotion. It was also important to develop the capacity to produce credible and high-quality research and analysis on employment and labour issues, without which the ILO could not play its rightful role in the international organization system or serve its constituents. The Government of Canada supported the strengthening of the DWCPs and commended the proposal to build partnerships and seek better coordination within bilateral, regional and multilateral agreements, and with other organizations and non-state actors. Nonetheless, concern was expressed that the report had been released very late, which had left insufficient time for constituents to prepare and consult on the complex proposals it contained and their far-reaching implications. Moreover, some of the solutions proposed in the report, such as the cyclical reports, peer reviews and Decent Work indicators required clarification. Some proposals raised further questions such as how the new mechanisms would relate to the current supervisory machinery and reporting requirements and how the proposed strategies related to ongoing reform initiatives. The speaker expressed doubt as to the need for an authoritative document, but his delegation would await consensus on substantive issues before taking a firm position on that issue.

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29. The Government member of South Africa said that, since the globalization of economic activity had not been accompanied by a globalization of social justice, the ILO had a fundamental role to play by making Decent Work a central pillar of the multilateral system. It should thus build on the perspective that had been developed in the Global Employment Agenda (GEA) by the Governing Body. It was surprising that the report did not make reference to the GEA, which, as a consensual policy document, offered several useful perspectives. The current discussion was particularly timely given that the Global Report under the follow-up to the 1998 Declaration covered discrimination and equality. The Government of South Africa recognized the need for institutional innovation and governance reform, but did not agree that there was no need for change in the constitutional framework. The ILO had retained an exclusionary constitutional provision on representation in its Governing Body, according to which certain “countries of chief industrial importance” were de facto permanent members of that body. The Government of South Africa did not advocate revisiting the role of the ILO, but considered that strengthening that role and achieving a constructive, nationally effective and internationally connected tripartite ILO would require revision of that constitutional allocation as part of governance reform. A resolution passed during the Eleventh ILO African Regional Meeting called for such reform. The speaker reiterated the call urgently to address the implications of the zero-growth budget and its consequences for the ILO’s capacity to respond to the increased demand on its services. While supporting the need to build partnerships for Decent Work, his delegation requested clarification on the role of tripartism in that process, since consultations were not always conducted in line with the principles of tripartism. The resolution concerning tripartism and social dialogue should therefore be effectively implemented and the ILO should guard against its erosion. The speaker voiced caution on implementing a peer review system. Assessments of the impact of the Decent Work Agenda on the ground should include the identification of Decent Work deficits on a regional basis and implementation of plans and programmes to remedy that deficit.
30. The Government member of New Zealand welcomed the opportunity for workers, employers and governments to consider and debate strengthening the ILO’s capacity. Tripartite views brought strength, and consensus was needed in order for any outcomes to be sustainable and provide clear guidance to the Organization. Participants should take the time to reflect on views expressed and avoid prejudging the eventual outcome or its form. The discussion should recognize, protect and enhance the ILO’s key strengths, which were technical excellence in labour issues, standard setting, and tripartism and social dialogue. The discussion on increasing ILO capacity should recognize the clear strategic framework provided in the Decent Work Agenda. It should not focus exclusively on issues of role, philosophy or improving member States’ contributions to ILO processes, but should also include consideration of structural and institutional reform. The outcomes of the discussion should remain sufficiently open and broad to accommodate the variety of Members’ national circumstances, including different levels of labour market development, while promoting universal core principles. New proposals on collecting information or creating processes involving increased burdens on member States should be avoided. The focus should be on the ILO’s ability to deliver services to its constituents, and the Office should strive to facilitate structures that enabled Members to develop appropriate labour market systems from the ground up rather than imposing frameworks from above. The Government of New Zealand encouraged the ILO to build partnerships and alliances in order to meet its mandate and deliver the Decent Work mandate. It supported the proposed focus on Decent Work as the core ILO strategic framework and an approach that sought the best means of delivering that agenda. The need for a strategic approach to setting the agenda for the ILC was clear, as was the need to improve the ILO’s ability to collect information and provide analysis, within existing resources and without duplicating current processes or alternate sources of such information. The Government of New Zealand also

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recognized the need for the ILO to create partnerships and alliances with other international organizations.

- 31.** The Government member of Australia acknowledged the work involved in compiling the comprehensive and detailed report, but was disappointed that the issues and proposals it contained were not clearly expressed and that, overall, the report lacked focus. It had been difficult to undertake a meaningful assessment of the issues and proposals in the short time the report had been available. Moreover, the scope of the report went well beyond that decided by the Governing Body, which had made no mention of adopting an authoritative document. The report's inclusion of that possible outcome was premature and undermined the integrity of the current Committee's discussions. The speaker urged the Committee to focus on expressing constituents' many and varied views on how to strengthen the ILO and to leave discussion of modalities for implementing any outcomes for another time. In order to achieve the Committee's key objective, account should be taken of the field structure review, which was crucial to the ILO's delivery of services and achievement of outcomes. The Government of Australia acknowledged the importance of ensuring a consultative and demand-driven Organization that was able to respond to contemporary challenges and to discharge its duties effectively, and noted that the emergence of non-state actors and the increased influence of other international organizations had altered the operational environment for the ILO. The speaker did not understand why the report focused on what ILO Members should do, rather than on what the ILO itself could do. Discussions should remain focused on how the ILO could reform its activities and improve the mechanisms at its disposal in order to implement its strategic objectives.
- 32.** The Government member of Namibia observed that the current dialogue had parallels with discussions in her country on the need to integrate and better coordinate the components of the national strategies for economic development, poverty reduction and social justice in order to reach national objectives. The outcomes of the Committee's work would therefore complement and strengthen Namibia's work in those areas, which were central to its aspirations and objectives. Globalization presented new challenges and opportunities to ministries responsible for labour in small developing countries. The fact that global economic growth alone did not necessarily result in greater employment or significantly reduce poverty had led her Government to recognize the role that the Ministry of Labour and Social Welfare could play in facilitating integration of economic and social development strategies. While the potential of tripartism and social dialogue was apparent, questions arose as to whether small poor countries with limited human resources have the capacity to meet the new challenges. It was therefore imperative to review the ILO's technical cooperation to ensure that it not only fulfilled ILO objectives, but also transferred knowledge to member States and built local capacity, taking account of Members' different levels of labour market development. More effective and less expensive provision of training, through local or subregional courses, along with mentoring arrangements between more and less developed countries as well as support for internships in relevant ILO departments, should be considered. In small countries with relatively low levels of industrialization, trade unions and employers' organizations were often weak, making it difficult to succeed in formulating market policy through social dialogue or to promote harmonious labour relations. Skills and knowledge deficits in developing countries must also be addressed to meet the challenges and opportunities detailed in the report, such as the capacity to conduct research and labour market surveys in line with the objectives of the Decent Work Agenda, and to carry out policy analysis to integrate economic and social policies. To address those issues, the capacity of ILO offices at regional and subregional level needed strengthening, in order to facilitate the sharing of timely information and best practices. The Government member of Namibia supported the view expressed by the Government member of South Africa on the need to give developing countries equal representation on the Governing Body.

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- 33.** The Government member of Barbados, speaking on behalf of Governments of Member States of the Caribbean Community (CARICOM) (Bahamas, Barbados, Belize, Haiti, Jamaica, St Kitts and Nevis, St Vincent and the Grenadines, Suriname and Trinidad and Tobago), expressed support for the strategies outlined in the report. These included strengthening the ILO's identity, modernizing and strengthening standard-setting and supervisory capacities, enhancing the knowledge base for policy development, consolidating partnerships, obtaining resources to meet financial and institutional needs and reinforcing governance and work methods. Ministries of labour should be provided with adequate resources and endowed with the necessary research, policy, and monitoring capabilities, in order to play their role in social and economic development and in the promotion and implementation of the Decent Work Agenda. Interagency linkages, partnerships and redefining governance structures were also crucial. Both financial and technical cooperation support would be required to carry out such programmes, and he called on international donor agencies, as well as regional and subregional financial institutions, to assist the ILO in that area.
- 34.** The Government member of Belgium supported the EU statement and reiterated her delegation's strong attachment to universality, tripartism and standard setting. It was very important that consensus be achieved. Discussions should be focused and should distinguish between pressing items and those of secondary importance. Neither the outcome nor the form it might take should be prejudged. Adequate time was required to arrive at satisfactory conclusions. The Conference should lay out options, but the Governing Body should remain the decision-making centre of the Organization. Regarding vertical governance, the speaker questioned the added value of the proposed new cyclical reports as well as their links to current procedures, notably article 19 and article 22 reporting, the Committee on the Application of Standards and the Global Report. The UN reform and programme and budget discussions must also be taken into account. Internal strengthening was therefore necessary to support both horizontal and vertical governance within the Organization. Better integration across the four sectors was crucial. 2008–09 should be the biennium during which DWCPs were fully rolled out. Results-based management, new programme cycles and evaluation should all be used to optimize governance. Improvement of the ILO knowledge base and the dissemination and efficient use of information were also key factors in strengthening the horizontal and vertical coherence of the Organization. Certain proposals, such as those for framework agreements or national agreements for the promotion of Decent Work in member States, were not a priority for discussion at the present time, notwithstanding the potential usefulness of such contractual mechanisms for the ILO, the State concerned and the other interested parties. Regarding partnerships between the ILO and other multilateral organizations, the speaker supported the report's proposal to discuss this issue in the Working Party on the Social Dimension of Globalization.
- 35.** The Government member of the Netherlands stated that the aim of the discussion was to improve the governance and functioning of the ILO's bodies. The results should take the form of operational conclusions for adoption by the Conference. Normative work and a strong advisory role were the ILO's core business, and thus should be included in the discussion. While there were technical questions regarding the cyclical review of DWCPs, in general it was a good idea. DWCPs should be used more effectively to strengthen the link between country-level work and priorities set at higher levels. The speaker supported the establishment of institutional mechanisms to balance country-level needs better, and welcomed a stronger role for DWCPs in achieving this. There was the risk of creating extra work and financial burdens for the Organization and its Members. The ILO's capacity to absorb necessary changes in terms of management and organization needed to be considered, whereas that aspect was rarely mentioned in the report. The speaker warned against a weak compromise based on the lowest common denominator that would detract from the value of the exercise. He stressed the need for improved internal, external,

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national and international coherence. Links should be elaborated with the follow-up to the report of the High-level Panel on UN System-wide Coherence, the “One UN” process, and cooperation between the ILO and the United Nations Development Programme (UNDP) and WTO. Internal processes also needed to be considered, including results-based management, implementation of the new human resources policy and the field structure review. He requested that the Office produce a document for the November 2007 session of the Governing Body elaborating on the various internal processes under way and possible organizational measures. The strengthening of the ILO knowledge base and the provision of high-quality research were also essential.

- 36.** The Government member of Mexico noted the range and relevance of the topics presented in the report. He then drew the Office’s attention to the fact that the Spanish term “documento de referencia” did not have the same legal weight as the term “authoritative document”, and asked that the Spanish document be aligned with the French and English versions. The ILO needed to address the implications of its zero-growth budget in light of the increasing number of requests for assistance, keeping in mind the financial difficulties faced by many countries when the budget increased. Effective management of resources and the setting of priorities based on the likelihood of achieving good results for the Organization should be emphasized. As many of the issues raised would need to be addressed in a detailed and careful manner at a future session of the Conference, the general discussion should lead to the adoption of conclusions or a resolution.
- 37.** The Government member of Brazil suggested that the concept of sustainable development be incorporated in the concept of Decent Work. In his country, the strengthening of capacity meant the ability to promote Decent Work, which had assumed an increasing role in national development policies and was being mainstreamed into projects. ILO cooperation had been a decisive factor in achieving Decent Work objectives that were reflected in national policies.
- 38.** The Government member of Nigeria, speaking on behalf of the Africa group (Algeria, Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Comoros, Congo, Côte d’Ivoire, Democratic Republic of the Congo, Djibouti, Egypt, Equatorial Guinea, Eritrea, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Lesotho, Liberia, Libyan Arab Jamahiriya, Madagascar, Malawi, Mali, Mauritania, Mauritius, Mozambique, Namibia, Niger, Nigeria, Rwanda, Sao Tome and Principe, Senegal, Seychelles, Somalia, South Africa, Sudan, Swaziland, United Republic of Tanzania, Togo, Tunisia, Uganda, Zambia, Zimbabwe), supported the need to strengthen the ILO’s capacity, bearing in mind the key importance of the tripartite structure. Technical cooperation programmes should lend clarity to the concept of Decent Work and how it related to ILO outcomes. The concept of Decent Work should be further articulated so that it would be properly emphasized in the policy framework of member States. The Decent Work Agenda should be related to the MDGs, using measurable parameters. The ILO should develop persuasive means to secure compliance with standards. The ILO should enhance its knowledge base, make fuller use of its internal resources, such as the International Institute for Labour Studies and the International Training Centre, and exchange information with other international organizations. The ILO’s zero-growth budget should be revised upwards, taking into account the capacity of member States to meet their financial obligations. It was important to take equity into account in determining the membership of various ILO committees, including with regard to the permanent seats on the Governing Body, even if that required a change to the Constitution. With regard to peer reviews, the speaker expressed support for the position of the Government of South Africa.
- 39.** The Government member of India recalled the many challenges the ILO had faced over the years, such as global depression, economic protectionism, apartheid, and the fight against

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poverty. Issues changed over time and the ILO continued to transform itself to face new challenges while keeping its identity as the most important multilateral forum in which workers' interests were articulated through social dialogue. The ILO's achievement in drawing the attention of the international community to the social dimension of globalization, through suggesting viable and acceptable measures to help the disadvantaged, was one example of this. The various proposals contained in the report, such as cyclical reports, peer review and others, needed proper examination. The financial consequences for member States of strengthening ILO capacity, particularly if they might potentially be translated into additional contributions, should be fully spelt out before any final decision could be taken.

- 40.** The Government member of China thanked the Office for the report and stated that, in the current context of globalization, strengthening the ILO's institutional capacity to provide services to member States was essential. He expressed support for the proposals contained in the report. Specific priorities should be established, especially for developing countries, such as employment promotion, sustainable enterprise development, and setting up appropriate social security systems. Each member State was unique and solutions should be tailored to meet the specific needs of each. Vertical and horizontal governance would need to take these particularities into account. The speaker supported enhanced cooperation with other international organizations to promote Decent Work. Strengthening the ILO's capacity with regard to standards-related activities would enable it to provide assistance to member States in establishing legal frameworks to face the challenges of globalization. The speaker concluded by highlighting the importance of research and knowledge-sharing activities.
- 41.** The Government member of France expressed his full support for the statement made on behalf of the Governments of Member States of the EU. His Government supported the indispensable and strategic initiative presented in the report, which would strengthen the Organization and its action in addressing the social dimension of globalization. The approach to the present discussions must be strategic, so as to enable the Organization to address the social dimension of globalization. The speaker thanked the Office for the report, which provided the basis for a comprehensive examination of governance issues. The ILO was at the heart of the multilateral system, but needed to rationalize its efforts, develop its means of action and improve its methods of work to make them more coherent. The proposals contained in the report needed to be put into effect and linked to overall UN reform. Further deliberation on the issues would continue beyond the current session of the Conference. The Committee bore a responsibility and should seize the opportunity to strengthen and modernize the ILO.
- 42.** The Government member of Lebanon recalled the unique character of the ILO, which stemmed from its tripartite composition and its promotion of social justice and equality. The ILO defended fair competition on a level playing field and helped to ensure this through standard setting. The ILO needed to bolster the capacity of member States in the context of globalization. The speaker put forward a number of proposals in that regard. A wide perspective was needed with regard to the roles and responsibilities of member States. Training programmes should be developed to assist member States to deal with the new reality of globalization. Regional offices should help member States by providing assistance with regard to policy development and the implementation of international labour standards. Greater cooperation was needed between member States without creating obstacles for others. Web sites should be developed in Arabic and there should also be more publications in Arabic. Member States also needed guidance to overcome their fears with regard to globalization in a changing world.
- 43.** The Employer members had found the general discussion informative and positive. That augured well for the Committee's work and its search for consensus. The Committee

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members needed to keep all options open until the content of the conclusions was known. For the Employers' group, the most important aim of the exercise was to make the ILO a more valuable organization for its constituents, one able to assist Members in improving the lives of people. The speaker supported calls to support and build on current initiatives. He also supported the comments of the Government member of South Africa regarding the employment impact of policies, and those of the Government member of Namibia on the importance of capacity building of constituents. The cost implications and reporting burden mentioned by a number of Government members were serious considerations. It was important to look at them in a holistic way in order to reach a decision as to the overall reporting requirements and allocation of Office resources that would result in the ILO providing valuable services to Members. The same approach should apply to building the ILO's knowledge base. The Committee should remain cautious about entering areas that were properly those of the Governing Body, as many speakers had noted. The Conference should give political direction, not look at modalities. Like the Government member of South Africa, the Employers' group had been surprised not to see a reference to the GEA in the report, and the Vice-Chairperson asked his colleague to comment further on that.

44. An Employer member from the United States related the current Committee's discussion to the work of the Employment and Social Policy (ESP) Committee of the Governing Body, of which she was the Employer spokesperson. The GEA had been an attempt to find a comprehensive way to address employment and social protection policy, both individually and holistically. Four main lessons could be drawn from that experience to inform the current debate. First, it had been striking to learn how diverse constituents' experience had been with regard to the Office's capacity to address issues. Sometimes they had benefited from great expertise and adequate resources and sometimes those had been lacking. The speaker had thus found it quite distressing to hear the Special Adviser describe the Office's "lack of capacity to provide useful advice". That was a problem that stemmed from resources, for which all Members had responsibility, particularly those member States with funding obligations, but it was also incumbent on the Office to use these resources appropriately. She recalled the comment that "credible high-quality research and analysis" were needed and emphasized that those should be focused so as to address constituents' needs. Second, the speaker took up the point raised by the Government member of the Netherlands that there should be better sharing of knowledge in-house. That was vital for collaboration among colleagues and had obvious policy linkages as well in terms of improving vertical and horizontal coordination. Third was the issue of improving governance. While the report mentioned a number of housekeeping issues, it did not look at the possibility for linkages and feedback loops between the Governing Body, the Office and actions at the national level. Those needed improvement. The fourth point was the experience with country studies. The ESP Committee had recognized early on that, while the discussions in Geneva were interesting, they did not result in advice and analysis that was useful to governments, employers and workers on the ground. That led to the idea of national case studies, hearing examples of how useful and operative GEA policies and technical cooperation were at the country level. The results of those studies were mixed. While the substantive discussions were always interesting, the question was how to learn from those case studies. Broader lessons needed to be extracted that could be useful across countries, but this had not yet been achieved and remained a challenge. The speaker urged the Committee to consider this experience when dealing with the issues of peer review and country studies.
45. The Worker members found the initial discussions very informative, encouraging and positive. They noted a broad, if not universal, consensus on several points. In particular there appeared to be a high degree of consensus not to review the goals of the ILO as expressed in the Constitution, the Declaration of Philadelphia, the Decent Work Agenda and the strategic objectives. Those were recognized to be the foundation of the ILO's work and the focus of the Committee was on how to achieve those goals effectively. All

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speakers had endorsed Decent Work as a strategic framework, sometimes in ringing terms. There was common acceptance of the need for the ILO's research and analysis capacity to be seriously upgraded. There also appeared to be broad support for partnership with other multilateral institutions, which were vital in achieving the ILO's goals. The Worker members recalled the words of the Government member of the Netherlands: "Decent work is a cross-cutting objective with UN-wide application." This comment should provide the focus of all such partnerships. The last point of general agreement was that tripartism was crucial and, in the words of the Employer Vice-Chairperson, was "the founding value of the ILO and its greatest strength". Given the importance of being able to enter freely into dialogue, the Worker members suggested that the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87), and the Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144), be given special status in any authoritative document. They shared the view expressed by a number of delegations regarding the social dimension of globalization and the need to address inequities and uneven outcomes. They highlighted the dual components of the discussion – global and national – and welcomed the references made by the Government members of Norway and South Africa regarding the social dimension of globalization. The GEA and the DWCPs represented examples of integrating the two dimensions, global and national, and were also a useful reminder of the consensus forged between Workers, Employers and Governments on what the focus of partnership with other multilateral institutions should be. The GEA enjoyed tripartite support and was a rich source of ideas, language and concepts that the Committee could draw upon. The report had raised the issue of having a standing item on Decent Work on the Conference agenda. There was a parallel with the GEA, which similarly had a standing item on the agenda of the Governing Body. The experience of GEA country studies was relevant to the proposed peer review and could be seen as a nascent form of such an approach. The Worker members supported the strengthening of the standard-setting machinery, particularly in the light of past calls which might have weakened it. With regard to capacity building and the need to empower constituents, they remarked that some speakers wanted the debate to focus on the Office, while others wanted to focus on the constituents, but the ILO had a twin identity, that of the Office and the Organization. The Committee should discuss the deficits of both and adopt a set of conclusions to assist and empower both. The Workers' group supported the comments of the Government members of Barbados, Canada, China, Namibia and others on the importance of the ILO's responsiveness to the needs of constituents. The question of governance had been raised: one aspect of governance involved reconciling needs, objectives and outcomes in an effective manner. The questions regarding operational issues, such as country studies and peer review, were valid and needed to be addressed in the discussions on each chapter. In response to a number of concerns raised, the Workers' group believed the focus should be on the architecture of the ILO and not on the interior decoration. The Worker members referred to the usefulness of a two-phased discussion raised by a number of Government members with 2007 being the first part of the discussion. The proposal for an authoritative document was not new, but the various options proposed in the report needed to be discussed. If the Committee's work was as crucial as most speakers acknowledged, the outcome and follow-up should rise to those expectations.

46. Following the debate, the Chairperson summarized his understanding of some of the points of possible consensus that had emerged from the discussions. These observations in no way constituted the Committee's conclusions or report, but were offered in the hope that they might assist Committee members in their further deliberations.

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## Chapter 2 Connecting global objectives to national action: Strengthening “vertical” governance

47. The Special Adviser to the Committee recalled that the idea of adopting an authoritative document had been proposed during the 294th Session of the Governing Body and had been included in document GB.294/2/1(Add.), paragraph 8(i) of which read: “It should be understood that this item was proposed with a view to a general discussion at the 2007 session of the Conference, without excluding the possibility, should a tripartite consensus develop (see below), of going further with a view to the adoption of an ‘authoritative document’.” Moreover, while there was no specific definition of governance in the report, it implicitly defined it as the way of making the best use of the means of action to meet Members’ needs as regarded various ILO objectives. It was important to recall that the objectives of the ILO were not external to the objectives of member States – those objectives were one and the same, as indicated in article 1 of the ILO Constitution.
48. The Special Adviser made a brief presentation on Chapter 2 and recalled the overview he had made of it at the opening sitting of the Committee. He recalled that the Office had the responsibility of gathering and disseminating information relevant to ILO objectives under article 10 of the ILO Constitution. The purpose of the cyclical reviews would be to establish trends, identify gaps and prepare plans of action based on constituents’ needs as expressed at the Conference. It would be an opportunity for the Conference tripartite membership to be in the driver’s seat of setting the ILO’s agenda. The cyclical reviews would have the added benefit of allowing for the evaluation of the impact of the previous plan of action on the same point and for making adjustments for the next cycle. Moreover, the cyclical reviews would simplify how the Governing Body decided the Conference agenda, as one of the items would be fixed automatically. There would also be a positive impact on the Office’s capacity, since having a recurrent item every four years would require the Office to organize itself and have the capacity and information to deal with the item in question.
49. With regard to the comment that results-based management had already addressed some of the ILO’s governance issues, the Special Adviser noted that results-based management could ensure that the ILO delivered on priorities, but could not guarantee as such that those priorities would be the most relevant to country needs. With respect to the capacity of the ILO to deal with the cyclical reports, he stressed that they would be established through information available internally and would also use information collected through article 19 general surveys. There would be no additional obligations for the ILO, and there would be no new obligations for member States, as they already had an obligation to report under article 19. The scope of reporting, however, would not be on a single set of standards but on a wider family of related standards. He also stressed that the cyclical reviews would have no bearing on other supervisory mechanisms other than article 19, which was not designed to supervise implementation of obligations, but rather to review law, practice and trends relevant to a set of standards. He hoped that the Committee could give clear guidance on whether it wanted cyclical reviews and, if so, whether it wanted a four-year cycle, whether social dialogue should be mainstreamed into all strategic objectives, and if fundamental rights, which were already covered in the Global Report under the follow-up to the 1998 Declaration, should be treated separately as well.
50. The Chairperson recalled that the context of the present discussion was the desire for better integration of the four strategic objectives. Improved ILO governance would encourage constituents to achieve ILO objectives, lead to a better distribution of work among the decision-making bodies of the ILO, and enable a better identification of subjects and plans of action for discussion. The present Committee should pronounce itself on the possible content, periodicity, examination process, workload and resources available for the proposed cyclical reviews. He also stressed that international labour standards and strategic

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objectives were not the same thing; the latter were rather a means of implementing the former. The discussion should also take into account reinforcing tripartism and seeking consensus.

- 51.** The Employer members noted that the issue of vertical governance addressed in the report focused on a better system of responsibility and accountability between the Governing Body, the Conference and the Office. It should ensure that ILO action would be better connected to issues of the real world and did things that made a difference to people. It was only where constituents saw value in applying ILO policy, supported by relevant ILO technical cooperation, that the ILO had impact. The Employer members agreed that there was a need to improve the relevance of the Conference by using it for high-impact discussions on significant issues. In this effort, however, the ongoing work on Conference reform within the Governing Body needed to be kept in mind and supported. Cyclical reports should not be a review mechanism on whether member States met ILO objectives, but rather on how that policy had actually helped people on the ground. Also, the cyclical reports should not be a complaints-based mechanism or a ranking tool. They should instead be fact-based research from which good practice and lessons learned could be extracted for the benefit of all member States, as well as to improve ILO performance. They should be a means to measure the usefulness of the ILO to constituents and to people in general, and should lead to the review and improvement of policy. To make the cyclical reports meaningful, the Office needed to be able, on the basis of fact-based evidence and objective analysis, to measure the impact of ILO policy and action on labour market outcomes.
- 52.** Although the modalities of the cyclical reviews would be for the Governing Body to consider, there were a number of questions that needed discussion. It was important to recall that Decent Work was given meaning and effect at the national rather than at the international level. It would therefore be important for such reviews to recognize this reality and avoid excessive uniformity in the reports on each of the objectives, which might imply measurement of Decent Work implementation against internationally set benchmarks. Instead, the reports should focus on identifying emerging and important trends in the world of work, which would help identify the most appropriate ILO action required with respect to each issue, to modernize approaches in addressing the world of work, and improving the ILO's relevance to its constituents, to the UN as a whole and to the outside world.
- 53.** The Employer members stressed that the reports should not simply add to the workload of the ILO. They asked for clarification as to whether the proposed report would be added, or whether it would be combined with or replace another report. A tripartite process for the framing of the questionnaires for the report at the Governing Body would be needed as well. If the Office ended up analysing reports from every country every year on each of the objectives, the "demand" such analysis would reveal was likely to be immense. In its debate, the Committee should not enter into questions covered by the Governing Body's PFA Committee. It should, however, consider how the cyclical reviews would work with the Global Reports and the follow-up to the 1998 Declaration, which were soon due to be reviewed, and how the lessons learned from the past eight years of follow-up to the Declaration could be applied to this idea. The Committee should also consider how the reports' contribution to enabling the ILO to evaluate the impact of its own activities fitted with other ILO evaluation processes. In conclusion, the exercise should meet the following criteria: it should avoid to the extent possible duplication with other reporting mechanisms; the information received should be able to be credibly analysed in a balanced and fact-based way; it should be properly linked to the work of the Governing Body both with regard to its committees and to the Governing Body itself; it should be able to look at new and emerging or important issues objectively with regard to ILO means of action; it should avoid a "silo" approach to the way the objectives were examined, given the need to

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integrate them in national-level and in ILO debates and action; and finally, it should respect the diversity of national situations and views, recognizing that Decent Work only comes from the way the four objectives are integrated at the national level in the context of national realities.

- 54.** The Worker members disagreed with the Employer members' view that the cyclical reports should not focus on member States' compliance with ILO objectives, and that the proposed reforms should not deal with the promotion of policies, but with an understanding of their real impact. The only way to strengthen the ILO was to promote it. He stressed the importance of developing the ILO as a centre of excellence providing expertise and information to guide major global institutions, allowing it to chart its own course and become less dependent on other world bodies. The World Employment Report and the proposed world wage trends report were examples of what was required. This should be built upon, so that ILO knowledge became a reference for international organizations, academia, international financial institutions, and constituents. In this sense, the ILO should home-grow its expertise so that it was less dependent on external consultants. This should also be taken into account in the recruitment policy of the Office, which should draw on expertise from academia, government service, business and workers' organizations.
- 55.** As regarded paragraph 24 of the report relating to the universality of ILO instruments, the speaker stated that this idea needed to be clarified to avoid any risk of regionalizing and nationalizing instruments which were universal. The Governing Body's Committee on Legal Issues and International Labour Standards (LILS) was competent to review the standards system, and the present process should not in any way weaken or devalue standards. The Worker members supported the idea put forward in paragraphs 27 and 28 which specified that the added value of cyclical reviews was that they were subject to tripartite discussion. This was important to encourage demand-driven standard-setting activities and workplans, and would help the Governing Body set a more effective agenda for the Conference. The Worker members agreed with the proposals concerning the use of article 19 general surveys to be integrated in cyclical reviews at the ILC and were therefore in favour of additional consultations on this matter. Further examination was needed to determine how much real duplication the proposed report would produce. The idea of a four- or five-year year report cycle was promising, as it would allow a structured approach to discussion of the report by the constituents, comments to be made and real outcomes to be achieved.
- 56.** The Government member of the United States fully supported the goal of gaining a fuller understanding of how the strategic objectives were being fulfilled and of ensuring that constituents' needs were reflected in ILO priorities, and she was pleased that the Programme and Budget proposals for 2008–09 included plans to enhance the research and statistical capacity of the Office. At the same time, she cautioned that report-writing should not be confused with action, and urged the Office to focus its research in a way to enable it to overcome the lack of capacity to give useful advice referred to by the Special Adviser. She noted that mechanisms already existed to link constituent needs to ILO priorities and means of action, such as the DWCPs, which are being developed through tripartite consultation at the national level; tripartite regional meetings, which feed into the programme and budget planning process; and the programme and budget debates themselves. Given these existing systems for tripartite input, implementation and review, her Government was puzzled by the Office proposal for new cyclical reports to the Conference for that very same purpose, without having first evaluated the effectiveness of the current means of linking needs to priorities, in particular the DWCPs. It was unclear how such globally focused reports could better define constituents' needs than the DWCPs negotiated by the constituents themselves. In addition, she asked how such reports would relate to the annual Director-General's Reports to the Conference and to the World

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Employment Report. She remained concerned that the cyclical reports could undermine the ILO's longstanding, unique and well-respected supervisory machinery. For that reason, she sought the views of the Committee on the Application of Standards, the Committee of Experts on the Application of Conventions and Recommendations and the Governing Body as to how the proposal might affect their work. She considered the proposed review of the first strategic objective to be redundant given the role of the Global Reports, which were used partly to determine future technical cooperation activities. She recalled that there had been a long struggle to make discussions of the Global Report more useful and, in her Government's view, simply changing the venue and extending the time for these discussions would not solve the problem. In the spirit of not simply adding new measures, she suggested that it might be better to consider how to improve the Global Report discussions. Should the Committee agree that further mechanisms were needed to help set ILO priorities, it was important to look beyond the proposal of the cyclical reports and her Government welcomed other ideas on possible alternatives. In particular, she felt it would be useful to hear from those countries with DWCPs who felt that their priorities were not being addressed. One option could be to have a regular examination of the DWCPs, and in particular the ILO's role in their implementation, with a view to identifying ongoing needs on the ground and the ILO's capacity to respond to those needs. Such reports could also address the important issue of how the ILO was faring within the "One UN" system. The Governing Body could then receive suggestions for Conference agenda items based on the results of these discussions, reflecting the realities faced by governments, employers and workers. She reminded the Committee that one of the main hindrances to vertical integration was the failure to translate Conference Committee decisions into action by the ILO.

57. The Government member of India asked whether the International Labour Standards Department of the Office had been consulted in the preparation of the report, and if the report had been evaluated by the Governing Body's standing LILS Committee as to whether the current system and the one proposed could go together. He also wanted to know whether there had been any study by the Office to evaluate the present reporting system under articles 19 and 22 of the Constitution. In his Government's opinion, the reporting system had been working effectively for the last 80 years and he questioned the need for the radical changes proposed.
58. The Government member of South Africa welcomed the report, although he found the language flowery and ambiguous and difficult to understand. This did not bode well for a discussion which should lead to the assessment of constituents' needs. The speaker wondered how the discussions of the cyclical reports as proposed would improve the setting of ILO priorities if they were based on the same deficient knowledge base acknowledged by the Office. As for translating the proposed reporting mechanism into a standing item on the Conference agenda, he asked for more information on the impact that this would have on Members, as it sounded like it would involve more work.
59. The Government member of Mexico asked for clarification of whether or not such reports would in fact replace the World Employment Report, which his Government considered to be a good product. His Government concurred with the Office that the modalities for examining any periodical reports should be left to the Governing Body to decide. With respect to resources and workload, the speaker reminded the Committee that, according to discussions that took place in March 2007, more than 70 per cent of the Office's resources were spent on staff. For this reason, the Office's proposals should not imply additional costs or duplication of activities.
60. The Government member of Pakistan stressed the importance of providing a reliable knowledge base validated by tripartite discussions. The Committee's discussion should have the aim of augmenting the Organization's activities in the field of fundamental

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principles and rights at work. He proposed a periodic review of the results-based management technique, in order for the tripartite members to be afforded the opportunity to assess the results achieved against the resources deployed. He supported in principle the proposed cyclical reports, though he underlined that their efficacy needed to be discussed. In his Government's view, cyclical reports on each of the strategic objectives could help achieve a closer link between the needs, priorities and the means to achieve the ILO's objectives through better vertical governance, and to establish a programme of action by effectively mobilizing all relevant means.

- 61.** The Government member of Germany, speaking on behalf of the Governments of Member States of the EU, stated that it was important to discuss the respective roles of the ILC and the Governing Body in vertical governance. Regular reviews could allow the Governing Body to implement action plans and to shape appropriate follow-up, and might contribute to a more integrated approach for selecting discussion items for the ILC agenda. As standards were embedded in real life and in the real world of work, strengthening the normative function would have an even greater benefit when standards were implemented in a larger policy framework. For instance, extending social protection coverage also required initiatives related to governance, measurement indicators and the knowledge base. Regarding the proposed periodic review on employment, the speaker stated that the reference to the "vision" document established by the Employment Sector could provide the right questions and answers. It was therefore important to complement the normative approach by other methods of work, in order to have a more integrated approach. The EU attached importance to the role of DWCPs in strengthening the link between objectives and actual needs, and DWCPs should be effectively used in the reviews. The impact of the reviews on the organizational capacity of the ILO should be taken into account as well. The EU agreed that gender and social dialogue were cross-cutting issues relevant for the different pillars of Decent Work and welcomed the mainstreaming of gender issues in the reports on each strategic objective. She agreed that social dialogue should be very visible in all reviews.
- 62.** The speaker noted, however, that a number of questions with regard to the cyclical reports remained. She asked the Office to address, in more concrete terms, the consequences on general surveys, to give further details on how exactly it intended to adjust the questionnaires and how the new reports would interact with the existing ones. The EU wanted to ensure that the reviews would contribute to strengthening the ILO supervisory system instead of weakening it. She concluded by requesting more information on the impact that the reviews might have on the ILC's agenda items.
- 63.** The Government member of the Netherlands aligned himself with the statement made by the EU. In principle, he agreed with the proposal of cyclical reviews although he questioned the idea that there would be no additional reporting by constituents. Cyclical reporting should be used for strategic agenda-setting for the ILC on an analytical basis. Action related to DWCPs should be as concrete as possible and the capacity to analyse information received should be improved. He agreed that the ILO should use information that was already available for the reports, but asked what verification mechanisms would be in place if governments or social partners had a factual disagreement. He asked about the ILO's financial capacity to absorb a new reporting cycle and requested a paper on this question for the November 2007 session of the Governing Body. He supported the increased role of the ILC in determining its agenda. Reform should also include an examination of the governance structures of the ILO, starting with the Governing Body. One first initiative might be to change the Working Party on the Social Dimension of Globalization into a committee on policy coherence.
- 64.** The Government member of the United Kingdom expressed support for the statement made by the EU. He agreed in principle that the Conference should have a more strategic

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focus and acknowledged the thinking behind the proposal to introduce cyclical reports. Should this approach be adopted, social dialogue should be mainstreamed in the reports on each strategic objective. Nonetheless, he was concerned that a new reporting mechanism could overburden member States and the Office, and could confuse and undermine the work of the Committee on the Application of Standards and the discussion of the Global Reports. This might dilute the established supervisory system and could result in a less forward-looking dynamic approach to global issues. He was unclear how the proposed review process fitted with the strategic budgeting process and the Governing Body's remit on programme and budget matters. Although it was implied that there would be fewer Governing Body documents and streamlined Governing Body agendas, no hard figures had been produced to support achieving these cost savings. The report did not clearly distinguish between the ILO's role in setting and supervising standards and its role in providing assistance and technical expertise to support member States. In order for the review process to be successful, there needed to be a clear distinction between these two roles and the ways in which they interacted with and impacted each other. He welcomed tripartite involvement in the cyclical review process, but asked for clarification on the expected outcomes of this process. Governments, employers and workers had different approaches to the strategic objectives and to reaching the goal of Decent Work for all. The reviews could become political debates instead of leading to concrete proposals for action. With regard to trends to be established by the reviews, he pointed out that there needed to be a discussion on key indicators of Decent Work first, which had to be consistent with those being developed for the new MDG 1 target on Decent Work.

- 65.** The Government member of Sweden, speaking on behalf of the Government members of the Nordic group (Denmark, Finland, Iceland, Norway and Sweden), emphasized that the focus should be on the demands and priorities of member States and how the ILO could meet them and persuade member States to take an integrated approach. He found the proposed solution of cyclical reports traditional and somewhat disappointing. There was already a reporting system required by the Constitution, and there were various other reports such as the Global Report and World Employment Report. The solution was rather to make better use of the existing information to respond to the problem of lack of coherent analysis of available information. He expressed concern about paragraph 56 and the possibility that this would create more work for member States. There was a risk of duplication and increasing the workload, which would be especially difficult for smaller member States. The proposed cyclical reviews might also introduce a parallel system of reporting that would remove focus from the standards supervisory system. However, there might be added value in having an annual discussion on the advancement of the Decent Work Agenda in general.
- 66.** The Government member of Austria aligned herself with the statement by the EU. She stated that her Government could not accept the cyclical reviews as proposed, as they were too rigid to keep pace with globalization, and risked increasing the workload of national administrations and the Office. One difficulty for the Office was that available information was not appropriately analyzed and used, such as the data from the ILO October Inquiry on wages and retail prices. Yet doing so would mean more work for the Office, and this raised the question of whether it had the capacity and how this could be strengthened. Her further concern was that a new reporting system would run in parallel to the supervisory mechanisms. Turning to what she found interesting in the proposal, she asked whether the discussion of general surveys would be shifted to another committee instead of the Committee on the Application of Standards. If so, this would mean less work for the latter Committee, freeing it up to examine individual country cases more closely, thus strengthening the supervisory system. Unlike the views expressed by other Committee members, her delegation found that regular technical discussions related to fundamental principles and rights might be an improvement. The ILO should also pursue the idea of holding regular discussions on global employment and labour market issues at the ILC.

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Nonetheless, it would be problematic to divide the cyclical reviews along the strategic objectives of Decent Work, since three wide topics falling under social protection – social security, occupational safety and health, and conditions of work – would only be discussed every 12 years if only one of these topics was chosen each time for the social protection theme. For the same reason, the cyclical reviews would not absolve the Governing Body from choosing a Conference item: it would still have to choose one specific item within the social protection theme, since an overly wide item would lead to a discussion of poor quality. An integrated report on Decent Work in general, as had been suggested by some delegations, would be too wide for a technical discussion, although it might be appropriate for a plenary debate.

- 67.** The Government member of France stressed that it was important to focus at this stage on objectives and not solutions. One goal was to have a more efficient and meaningful impact for each strategic objective. Another aim was to provide a meaningful strategic capacity for the Conference and the Governing Body. The proposal for cyclical reporting would allow for the assessment of strategic objective trends, and would streamline and modernize methods of identifying priorities. Those efforts should be shared by both member States and the ILO, at headquarters and in field offices. Cyclical reviews would also put an end to the “lottery” in selecting ILC topics, which sometimes led to less inspired choices. The follow-up to the topics was even more haphazard than the original logic used in choosing them. With regard to the workload, the speaker was convinced that, even if certain aspects of the proposal, such as the broadening of the scope of surveys, were susceptible to increasing the workload, in the long run they would lighten it. The questionnaire sent to member States for the preparation of these reports should be simplified. A regular reporting cycle would also lead to more coherence in budgeting and rational use of resources.
- 68.** The Government member of Algeria considered the document to be vague and she considered too that the document was important in view of the fact that the goal was to strengthen the ILO’s capacity. She agreed that it was important to reform the ILO’s methods to link its strategies with the needs of its member States. It was important to focus on social dialogue to achieve the strategic objectives of the Decent Work Agenda and to help member States coordinate with social partners to help them participate in activities with the ILO. To promote good governance, the ILO had to provide technical cooperation to member States to help them implement international standards, and it had to take into account reports sent by member States. It was important to rationalize activities for ILO programmes and to find alternate sources of funding, through partnerships or donor grants, and to improve its knowledge base.
- 69.** The Government member of Nigeria, speaking on behalf of the Africa group, agreed with paragraph 19 of the report, pointing to the need for the ILO and its constituents to be more effective in the context of the DWCPs. Efforts were also required to ensure that the global standards were applicable to national situations in a way that added value to poverty reduction through productive employment. Such employment should deliver a good standard of living through incomes earned from work and social protection measures implemented by national authorities. Value should also be added through labour rights, in particular freedom of association and collective bargaining. The Africa group fully supported the vital place attributed in the report to results-based management techniques, and emphasized the need to measure outcomes at each stage. As the capacity of the ILO to connect global objectives to national action would be strengthened through better vertical governance, the budget should be matched to real achievements at each stage. That was feasible if constituents’ perceived needs and budget considerations in services provided were compared in tangible terms. Constituents should therefore be assisted on how to use social dialogue to agree on national policy in using the DWCP framework to several ends, such as establishing priorities and common action, setting an agenda and maintaining

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balance between constituents' needs and their requests for technical assistance. It was important that the ILO recruited and retained staff qualified in the statistics field to use results-based management techniques to measure progress or lack thereof in achieving the four strategic objectives. The Africa group therefore supported the notion of cyclical reviews as a useful tool for objective analysis to complement the ILO's rich statistical labour base. In order to avoid duplication of work, information on the integrated and functional performance of the four strategic objectives should be provided to Members. That would constitute a useful information source, particularly if it included data on how the capital markets, the commodities markets and the labour markets impacted on the objectives. On the governance issue, the Africa group recognized the need to prioritize action relating to the strategic objectives and to examine how achievement of the objectives could best be measured.

- 70.** The Government member of Canada agreed with the underlying objectives of Chapter 2, particularly the need to find ways of improving the measurement and evaluation of progress, or lack thereof, on the strategic objectives. He supported the idea that using the resulting analysis should help to identify and select Conference agenda items in a more strategic way that took account of all constituents' views. It would also assist in setting medium-term priorities, developing action plans and taking decisions on resource allocation. Nonetheless, he requested clarification on a number of concerns. There was a risk that objectives would be fragmented, particularly in the first three years of the cycle, rather than better integrated. It was unclear how the proposed cycle of reports would be integrated into the current reporting systems, especially the Global Reports, so as to avoid duplication. The reporting burden on governments could be excessive, depending on the nature of the questionnaires used. The Office might have insufficient capacity to process the resulting information, analyse the trends and produce a new set of reports. A clearer distinction between the cyclical reports and the supervisory systems was also needed. Those concerns should be taken into account in any consultation process that occurred prior to further discussion. The proposal should be more systematically situated in the context of existing systems and processes as well as other ongoing reforms and reviews to enable better appreciation of the overall results of the innovation and analysis of the resource implications. While the four-year cycle was appealing, it was worth considering the development of a single synthesis report as a more straightforward alternative. Such a report would be modest at the outset, but could develop in depth and sophistication over time into an authoritative source of analysis and reflection. It could be produced annually, or every two years to coincide with the budget cycle. The ILO would be strengthened with a coherent and strategically integrated reporting system so that linkages and partnerships could be effectively established, information and knowledge sharing done in a richer and more systematic way and ILO resources used in an optimal fashion.
- 71.** The Government member of Finland shared the views expressed by the Government members from the EU and Nordic countries. While the four-year cycle approach was promising, it was somewhat complex and inflexible, which could result in malfunctions or problems in keeping pace with changes in the world of work. An alternative would be an annual, concise review containing analysis of all four strategic objectives, perhaps prioritizing different ones each year if required. It would be a flexible review backed up by adequate analysis and information which would not necessarily be part of such a review. It would broadly but concisely reflect the trends and problems in the world of work, and would present a way out of the silo approach that existed within the context of separate services.
- 72.** The Government member of Australia agreed with the Government member of France that the report proposed a solution before the problem had been fully understood. Chapter 2 of the report appeared to identify the problem of a lack of strategic focus in the way the Conference agenda was set. However, despite the assertion that the cyclical review process

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would simplify that task for the Governing Body, the proposal ran the risk of only partly solving the problem. The cyclical review process could be seen as a valid way of connecting global objectives to national action. However, the ILO should first undertake a comprehensive assessment of its current activities, such as DWCPs, to see how they linked needs to priorities. The Governing Body's problem of determining an ILC agenda item was not fully solved as it would still be required to make decisions on two Conference agenda items and to follow up on outcomes. The report had identified a significant problem regarding the Conference agenda that required a robust, strategic and transparent process to ensure the Conference retained its relevance.

- 73.** The representative of the Secretary-General took the floor to respond to numerous questions posed by members of the Committee. He stated that all parts of the Office had been involved in the consultations on the report through a taskforce, including the senior management team and the Bureau of Programming and Management, in an effort to ensure maximum internal cohesion and coordination. The proposed cyclical review was not an added mechanism, but a suggested way to improve the Office's current work and to make better use of the synergies among the four strategic objectives. The issue was not that more information was required, but how better to organize and use the information available. He emphasized that the proposed review was not a mechanism to compare or rank individual countries, nor was it a new supervisory mechanism. The views of the International Labour Standards Department had been taken into account in developing the current proposal, which would not affect the article 22 reporting process. The proposed and the existing systems should be mutually supportive, with the supervisory system pointing to problems, and the cyclical reports pointing to solutions. On general surveys, he stated that they would still be undertaken, but would be deployed in a more strategic manner. He recalled that the LILS Committee of the Governing Body continued to examine standards policy, particularly with regard to improving promotion and follow-up. The strategy it was currently discussing was in line with the report, and the relevant timetables would allow for those discussions to be informed by the outcomes reached by the present Committee. While a degree of additional work would be required to implement any possible cyclical review, the reporting burden would not be heavy. The Office did not propose to increase the number of agenda items for the ILC, but that decision lay with the Governing Body. The proposed cyclical review would constitute one of the three technical items on the agenda, which would require some extra work, but the relevant information would not come from new questionnaires to member States. While there could be a need to seek information on some items, he recalled that the current Global Reports reported on trends based on technical cooperation experience, and were not based on a questionnaire. Given that the current system for setting the ILC agenda was unsatisfactory, there was a need for a strategic political discussion on what was hoped for from a given agenda item, which could be provided by the cyclical review. There were no proposals for general surveys to be the exclusive source of information.
- 74.** The representative of the Secretary-General concluded by noting that follow-up to the 1998 Declaration was under review. That review would look at the Global Report, which had become a flagship report of the ILC; the annual review of countries that had not yet ratified all eight fundamental Conventions, which was less relevant today as ratification rates of those Conventions approached 90 per cent; and technical cooperation. All these elements had already been the subject of informal discussions in all the groups. It would be possible to continue preparing the Global Report, which did not rely on reports provided by the constituents. Other alternatives might be discussed, such as keeping the four-year cycle or providing a single report on fundamental principles and rights at work, or any other solutions.
- 75.** The Chairperson then gave the floor to the Executive Director of the Employment Sector, who noted that his Sector had been involved in the preparation of the report under

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discussion. He highlighted the close connection of the ideas contained in box 2.4 with the discussions within the ESP Committee of the Governing Body. The ESP Committee's objective was to improve the connection between the global objectives of the GEA, and action at the national level for effective policy advice and implementation of the Office's approach to employment policy. In March 2006, the ESP Committee had received well the so-called "vision" document by the Office on employment strategies in support of Decent Work. One of the ideas in the vision document was to develop employment guidelines for countries at different levels of development, drawing on the Organisation for Economic Co-operation and Development (OECD) Jobs Strategy and the Growth and Jobs Strategy of the EU. While those two methodologies existed for developed countries, there was nothing of that nature for poor or middle-income countries. The Office thought that filling this gap could be an important contribution of the ILO as the next step for the employment pillar of the Decent Work Agenda. Box 2.4 also pointed out that the report would draw considerably on the work of the ESP Committee, which was now divided into three "baskets": discussion on key policy areas; country experiences; and discussion on specific programmatic areas with a focus on what worked and what did not. He added that a cyclical employment review could present an analysis of main employment and labour market trends, globally and regionally; consider major challenges and emerging issues; and review the strategic framework and priorities for the work of the Office in the area of employment, all of which would be a very powerful way of strengthening the work of the Office in this strategic objective. He gave assurances that it would also be fully consistent with and a complement to, not a substitute for, the important work that the ESP Committee had been developing, which would continue to develop around the GEA. As regarded resource implications and extra workload, the proposal on the cyclical review on employment was closely aligned with the work the Office was already doing in the employment area and in support of the ESP Committee, and it would be quite feasible to accommodate the existing system. Cyclical reviews would be a unique opportunity to get a sense from the universal membership as to the work priorities and challenges in the area of employment, and to give them an opportunity to evaluate the impact of the activities and programmes at the beginning of every cycle. And between cycles, the ESP Committee would continue to exercise close oversight and guidance in that area.

- 76.** The Executive Director of the Social Protection Sector spoke of the active involvement of his team in the elaboration of the report. He noted that more than half of ILO Conventions and Recommendations were related to social protection issues. In November 2006, a checklist on policy areas for the Sector had been prepared to provide necessary clarification to the Governing Body on current trends to define future plans of action. He stressed the importance of dialogue between the Office and the constituents. The Social Protection Sector contained three large divisions: the Social Security Department, the Conditions of Work and Employment Programme, and the Programme on Safety and Health at Work and the Environment. His Sector was also in charge of the protection of vulnerable groups, such as migrant workers, people in the informal economy, and those covered under the ILO Programme on HIV/AIDS and the World of Work. The informal economy was a particularly relevant issue in the context of developing countries and middle-income countries, and his Sector and the Employment Sector collaborated to explore this potentially important niche for employment creation, especially by taking into account the need for the extension of social security and improving working conditions into the informal economy. Social protection was a goal in its own right and an instrument to achieve other goals such as poverty reduction and MDGs. Advice for policy, training for capacity building, research and knowledge sharing were tools which the ILO used for helping constituents in implementing the DWCPs. There was a large consensus that social protection was an element of productivity, development and Decent Work. The Committee's discussions were essential to guide the Office in improving synergy between social protection and the other strategic objectives.

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- 77.** The Special Adviser to the Committee further clarified some institutional aspects in response to questions posed by members of the Committee. He confirmed that the LILS Committee was aware of the present report. Issues concerning the improved use of information gathered in general surveys and the simplification of the relevant questionnaires had also been mentioned by the LILS Committee. The ILC should give guidance on modalities for further discussions, as it was sovereign over matters relating to adjustments on article 19 reporting and any follow-up. One possible solution might be to group the instruments reviewed under article 19 by family. As regarded the cost of the reform proposed, he suggested not to think on a short-term basis, but to build capacity of the ILO as a long-term investment. He linked the financial issue with the possibility, under the proposed new system, of interesting donors in contributing additional resources, which was already done around the Global Reports and the implementation of the 1998 Declaration. He concluded by stating that the fragmentation was to a degree inherent in the ILO's Constitution. Regrouping around the four objectives would mean, in fact, less fragmentation.
- 78.** The Chairperson thanked the Executive Directors for their presence in the Committee to facilitate the dialogue and invited questions from Committee members.
- 79.** The Government member of Austria pointed out that the cyclical reports might mean that some aspects of social protection, such as conditions of work, would only be treated every 12 years. The proposed system was too rigid and implied excessively long gap periods.
- 80.** The Executive Director of the Social Protection Sector replied that it would not be a technical problem. All would depend on the information that constituents asked for. He confirmed the possibility of the Social Security Department and the Programme on Safety and Health at Work and the Environment preparing reports on diverse issues, such as on vulnerable groups. He called on the Committee for guidance and clarification on its choices.
- 81.** The Government member of Mexico asked about the implications suggested by box 2.4 and the existing reporting under articles 19 and 22 of the ILO Constitution.
- 82.** The representative of the Secretary-General replied that the Office relied on various reliable sources of information, including article 19 and 22 reports.
- 83.** The Government member of Sweden asked the Executive Director of the Employment Sector to clarify confusion about any added value of cyclical reports if, as the latter had explained, the Employment Sector was already preparing periodic reports on employment policy to the ESP Committee.
- 84.** The Executive Director of the Employment Sector replied that his Sector's current work might be a part of the whole package to the Conference. Box 2.4 of the report also proposed employment policy guidelines for countries at different levels of development which did not currently exist. Moreover, a cyclical report on employment would benefit from a wider ILC discussion and gain more visibility.
- 85.** The Government member of the United States asked for clarification on the cyclical review in relation to the expected review of the functioning of the 1998 Declaration. She pointed out that, if fundamental principles and rights were the subject of one of the cyclical reports, it would remain to be decided whether the report would treat all four principles and rights, or only one, in which case each individual subject would be addressed only every 16 years. Moreover, given the budget cycle, action plans on only two strategic objectives could be addressed in each programme and budget. Finally, she asked for clarification as to whether

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the cyclical review were designed to influence the programme and budget or to attract donor funding.

- 86.** The representative of the Secretary-General replied that cyclical reviews would aim both at shaping the programme and budget and attracting donors around certain themes. Further discussions would be needed on how to integrate social dialogue and standards into reports; these were not strategic objectives per se, but rather means of action to achieve employment and social protection objectives. He referred to box 2.1 of the report, which provided indications on how to deal with questions relating to fundamental principles and rights at work. A synthesis report on all the issues might be prepared every four years or more frequently. In the case of consideration of the reports, and in particular the Global Reports, by the Conference, it would be possible to envisage integrating conclusions into the cyclical review. He reassured the Committee that the Office held no rigid position and was ready to discuss all the options, before proceeding to concrete consultations on specific modalities.
- 87.** The Government member of Kiribati expressed concern that the discussion did not seem to be taking into consideration the reality of the situation of small island States that were in the early stages of transition.
- 88.** The Executive Director of the Social Protection Sector replied that those countries that were not being reached individually could indeed be best helped by the proposed form of cyclical reporting. This would allow discussion, research and reporting on national trends, and dialogue with the international community and, through this, help to strengthen the capacity of small countries to identify their needs. These reports would also indicate good practices. He underlined the importance of social dialogue, which was integral to the proposed process of reporting, explaining that this was essential to the work of the Social Protection and Employment Sectors; neither Sector could progress without national-level social dialogue.
- 89.** The Government member of Nigeria pointed out that, in his country, many ministries had quarterly reports mapping trends and that time-series analysis was usually conducted on a much shorter time frame than the proposed four-yearly basis. These were essential tools for mapping out strategies and plans of action.
- 90.** The Government member of Argentina asked how statistical information, surveys and especially good practices would be incorporated into the proposed cyclical reports. She also noted the development of employment guidelines by the Southern Common Market (MERCOSUR), which put the focus on employment, promoting small and medium-sized enterprises and employment-intensive work areas.
- 91.** The Executive Director of the Employment Sector replied that cyclical reports would take account of these issues. The ESP Committee, for example, looked for ways to refine approaches: it looked at national approaches and lessons learned, as well as identifying where problems lay, such as difficulties of coordination. Increasingly, the ESP Committee was seeking to identify where policies worked and did not work, and the cyclical reports would also take this focus. These comparisons of good practices and global conversations, to which all constituents would have access, could then lead to job creation. He also affirmed that MERCOSUR and the ILO were in dialogue and agreed that they were indeed leading the way in the region, using a similar approach to that taken by the EU.
- 92.** The Government member of the Netherlands asked whether the Office had the capacity to implement the proposals to improve its knowledge base and share knowledge, given that this appeared to be a key condition of the proposals. He welcomed a Governing Body

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paper on just such a topic as it appeared to be a precondition for the successful implementation of the proposals.

- 93.** The representative of the Secretary-General replied by pointing to the actions of the Office in recent years. There was recognition of the need to find synergies between different approaches, and the Office was clearly moving towards an integrated approach. This would not affect the supervisory mechanisms. He pointed out the example of the Committee of Experts on the Application of Conventions and Recommendations and the Committee on the Application of Standards, whose conclusions often led to technical cooperation conducted by all Sectors. There was an increasing understanding that issues were integrated, and this was well illustrated by the case of one of the most successful technical cooperation projects, the International Programme on the Elimination of Child Labour (IPEC), which looked at many complex interrelated issues. He was therefore confident that the Office was oriented towards wanting to work in an integrated manner, and if the Conference were to instruct the Office to work in such a way, so much the better.
- 94.** The Government member of New Zealand expressed his appreciation for the opportunity to have an exchange with high-level managers of the Office, which allowed members of the Committee to better understand the details and concrete impacts of the proposals made by the Office. It would have been useful if these could have taken place at the start of the Committee's deliberations. It would also be useful for this practice to be extended to other committees.
- 95.** The Worker members appreciated the meaningful discussion that had taken place about strengthening the ILO and the Conference, and believed that the outcome should be reflected in a resolution. They noted that the cyclical reports on employment and wages discussed at the Governing Body's ESP Committee provided a platform to build upon for providing policy guidelines, reducing waste of resources, increasing efficiency, avoiding duplication and reducing workload. They agreed that the proposal for cyclical reports could be discussed by the Governing Body and that the standards system should be enhanced by the initiative and not in any way weakened. It appeared that many delegates had agreed that the cyclical reviews would be beneficial for the ILO. Given that non-industrialized countries stood to benefit significantly from a strengthened ILO, they should voice their support for the current initiative, as had been done by the Government member of Nigeria, speaking on behalf of the Africa group. The Africa group had also raised other important issues, including the need for the new initiative to be based on results-based management techniques and quantifiable results, and the need for sufficient resources. Strengthening the ILO also meant improving the quality of the staff, which could be achieved through the recruitment of persons with experience in government and in employers' and workers' issues, in addition to academic achievement, to give constituents' concerns a voice at the highest level in the Office. While the Workers' group would not support nationalizing or regionalizing standards, it held that regional offices should be as well equipped as headquarters to contribute to the cyclical reports. To that end, the ILO must exercise greater expediency in filling staff vacancies in the regions, where expertise in industrial relations, collective bargaining, dispute resolution processes, labour administration and economic policy development were urgently needed. They emphasized that this initiative would fail if governments continued to manufacture their own social partners, contrary to the principle of freedom of association. Governments should commit to reducing the inordinate level of spending the ILO was forced to allocate to addressing the repeated failures of some governments to respect the Organization's founding principles.
- 96.** The Worker members continued by stating that any initiatives the ILO took should reinforce the fact that the right to Decent Work was a fundamental human right that extended to persons working in the informal economy, including domestic workers, as well

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as those migrants whose employment conditions brought shame on the global community. Concern about such workers should be seen as part of the basic architecture of the ILO, not part of its interior decoration. The Worker members supported the EU Government members' call for further consultations, which might allow proposed initiatives to be developed on other emerging issues – while strongly supporting policy coherence in the UN family around the Decent Work Agenda. Further consultations could also address concerns from the regions that the “One UN” process should not transform itself in a “hostile takeover”, the key way forward being the enhancement of tripartism and a standards-based system. It was also necessary to ensure that the strengthening initiative reached the ILO's entire constituency, and they called on information to be produced in Arabic and other widely spoken languages.

97. The Employer members pointed out, in response to the Worker members' opening statement, that while they agreed that ILO policy should be promoted, promotion alone was not sufficient to make a policy work. The ILO needed to have impact, and to measure that impact through the labour market outcomes of its policy, especially in terms of employment generation. If results were not satisfactory, policies that did not work should be reviewed and revised. They agreed that the ILO should be a centre of excellence, and that there needed to be more recruitment of qualified applicants from business, worker or government backgrounds, so as to embed tripartism in the Office and to develop a vibrant and rigorous intellectual climate. “Decent Work” had become the brand name of the ILO, but no brand survived for long without durable substance behind it. The Employer members noted that they had not arrived at any definitive conclusions about the proposed cyclical reports, due to a number of lingering questions. These included a concern shared by several governments regarding duplication and costs. Moreover, there was a dilemma regarding whether the cyclical reports would be comprehensive or selective, as they could not be both. If they were wide-ranging, their content might be so general that it would be of limited practical value. If, on the other hand, they were focused on particular subjects, it might take many years to cover a particular issue among the large number of themes in each strategic objective, as some governments had pointed out. It was hard to imagine how the informal economy would be adequately treated in this scheme. The Employer members also noted that the proposed cyclical review had wider implications on the governance of the ILO than simply choosing agenda items for the Conference. Key here was the Office's commitment to implementing the proposals, and its willingness to be governed. In their view, the question posed by the Government member of the Netherlands regarding the Office's capacity and resources to implement the conclusions of the report, remained an open question. They concluded by stressing that the current discussion did not suggest any interference in the ILO's current structures or machinery.

98. Following the session, the Chairperson consulted the Employer and Worker members and the Government regional coordinators on points he had retained from the discussion. The comments he received were taken into account when he drafted the conclusions that were later submitted to the Committee for discussion.

### **Chapter 3 Integrated action for Decent Work: Strengthening “horizontal” governance**

99. The Special Adviser to the Committee recalled that Chapter 3 discussed the imbalance between the ILO's capacity to elaborate and promote each strategic objective separately, and its capacity to provide useful advice to its Members for efficiently combining those objectives. There was, however, a great potential in its unique tripartite structure and the great diversity of its means of action to exercise greater persuasion in promoting an integrated approach. Three possible reforms were suggested: the streamlining of technical cooperation through the coordination and evaluation of DWCPs; country studies to verify

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synergies between objectives and share national experiences; and advocacy and policy guidance through a possible “authoritative document”. Questions had been raised about the compatibility of cyclical reviews with the integrated approach and whether it was within the scope of this session to consider. The Special Adviser asked in response whether the ILO alone could be effective in promoting an integrated approach if Members were not also undertaking parallel action internally. A full chapter of the report had been devoted to the question of an “authoritative document”, which the Committee would consider at a later time. The output of the Committee’s discussion would provide guidance to the Governing Body, which was empowered to consider all possible steps forward. The Committee did not need to reach a specific conclusion. Its exchange of views would inform any Governing Body discussion.

- 100.** The Government member of Germany, speaking on behalf of the Governments of Member States of the EU, stated that the EU welcomed the integrated approach promoted in Chapter 3. Integrated monitoring of DWCPs within the Governing Body might contribute to achieving an integrated approach to Decent Work, since DWCPs would be the main vehicle for delivering the proposed Programme and Budget for 2008–09. The wider UN context should also be taken into account by the ILO while monitoring the DWCPs. The development of indicators for the integration of Decent Work targets at country and regional levels based on tripartite dialogue was important. The speaker drew attention to the four elements of the EU’s Open Method of Coordination, which might be a source of inspiration in developing a structure and follow-up to voluntary country studies. These included the following: setting up guidelines with specific timelines for achieving goals in the short, medium and long terms; creation of qualitative and quantitative benchmarks and indicators; translation of the guidelines into national and regional policy; and periodic monitoring, evaluation and peer review organized as a mutual learning process. The speaker concluded her remarks with four questions concerning the proposed country studies: (1) how could voluntary country studies be encouraged so as to cover all regions and ensure that they added value that was both reliable and representative? (2) how could the added value of country studies be achieved on a merely voluntary basis? (3) what would be the implication of paragraph 83 of the report, to the effect that country studies could be applicable to all member States, and how would this relate to existing peer reviews under international obligations? and (4) how would the proposed studies relate to the proposed cyclical reviews without duplicating the workload and cost while leading to added value?
- 101.** The Employer members underlined the link between Chapters 2 and 3, given that vertical and horizontal governance had an impact on each other. Horizontal governance impacted on more than Decent Work. Horizontal governance was also needed to improve the work of the four Sectors of the ILO, where isolated thinking and activity persisted. While improved integration of ILO work at country level made sense, DWCPs must be owned by constituents, who should identify their assistance priorities. Likewise, the ILO should ensure constituent involvement at the national level. In order to measure the impact of DWCPs, a national approach that reflected the effectiveness of ILO policy and action in achieving targets was needed. Given that no two countries were alike, measurement tools, indicators or any other mechanism used must be established by tripartite agreement. The ILO should not only be looking for deficits and failures, but also good experiences and lessons learned. The lessons learned should help the ILO to review and improve its own policies and practice. The word “monitoring” was inappropriate, since the cyclical reports should be global assessments of the usefulness of ILO policy and action, similar to the approach adopted in the discussion on the GEA. Integration should not be seen as an objective in itself. Rather, the question needs to remain as to how integration can help to achieve impact on the ground. The Employers’ group expressed concern as to the ILO’s capacity to handle DWCPs in every country, particularly with regard to meeting constituents’ expectations and handling the analytical demands implicit in producing such

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reports. Given the current financial constraints and the need to target resources strategically, the issue was how such work would help constituents meet national challenges. The proposal to create a contractual mechanism to evaluate DWCPs begged the question of countries that did not contract. In light of the financial implications associated with ILO commitments to deliver country strategies, the Committee should consider what would happen if targets on both sides were not met. The Employer members sought assurances that paragraph 71 of the report did not imply that technical cooperation would be conditional on signing a framework agreement, adding that such agreements should be tripartite. The social partners should be at the heart of any review mechanism. If self-evaluation was done on a tripartite basis, it should enable each country's unique experience to be better captured. That had implications for the issue of Decent Work indicators, on which a political decision had still to be taken by the Governing Body. While country studies were a proven tool, they had been used in a small number of cases. The question remained whether the Office would prepare such a study for every country or only for those with formal DWCPs. Indeed, greater clarity was needed as to what exactly constituted a DWCP. Finally, the issue of the social partners' involvement in the preparation and review of peer reviews required clarification. Subject to its modalities and the views to be expressed by its tripartite partners, the Employers' group would prefer the self-assessment option, which could draw on the experiences of the GEA country presentations. While the group supported an approach that stimulated consistent and comprehensive policies at the national level to promote all four ILO strategic objectives, it should be a learning and information exchange exercise, not one that sought to criticize or rank countries against one another.

- 102.** The Worker members observed that further consultations were welcomed to prepare for a discussion in 2008. Decent Work was an approach that must be discussed at tripartite level in every ILO member State, since it was a consensus-building arrangement that addressed socio-economic issues and policies. A consensual and universal framework was needed for the DWCPs, which should focus on all four strategic objectives. If one objective was to be emphasized, it should be one where the Decent Work deficit was highest. In that regard, it would be useful to hear the views of the Social Dialogue Sector. The proposals for in-depth examination of DWCPs should include the comprehensive participation of social partners. The integration of objectives at country level should start with the establishment of functioning tripartite committees that would develop and follow the implementation of DWCPs. Such committees focused on equal distribution of activities based on the four strategic objectives, and included activities based on the recommendations of the Committee on Freedom of Association, ILC decisions and the reports of the Committee of Experts on the Application of Conventions and Recommendations. The strengthening of horizontal governance should also benefit the Office by contributing to the following: integrated research capacity; an integrated approach to the work among units in the Office; integrated work between headquarters, the field structure and national constituents; field structure review; and a stronger position for ACTRAV and ACT/EMP. The Workers' group supported country studies in a broad range of countries in order to establish a social policy impact review system. Country reviews, including peer reviews, were important for cross-fertilization between ILO Members and also to enhance the capacity of the Office to discharge all its functions – the collection of empirical evidence, its normative and advocacy role, and technical cooperation. While it was up to the Governing Body to decide on the details of such reviews, the constituents should agree that, if peer review was to be used, a representative group of countries drawn from all the regions would ensure global integrity. Given that other organizations were increasingly using peer review as a working method, it should be possible to follow their examples to find a meaningful interactive process between an institution and its member governments. That process would also enhance the ILO's ability to be involved in achieving all the MDGs. The Workers' group was convinced, for example, that the ILO could improve the quality of its research and data-collection work and could demonstrate that collective bargaining could facilitate

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poverty eradication, and that trade unions promote democracy. The ILO must take a proactive role towards participation in the MDGs and use the ILO's comparative advantage and its tripartite nature to that end. Moreover, the ILO should build up its research capacity, produce quality data on issues relating to the ILO mandate, promote its comparative advantage of tripartism through studies in order for UNDP and other agencies to realize the speciality of the ILO and how it could contribute to the UN. The speaker concluded by calling for further consultations, particularly on the contents of paragraphs 81–83 of the report.

**103.** The Government member of Canada observed that the challenge of horizontal governance arose from the trade-off that was sometimes claimed to exist between ILO objectives, that is, between economic growth and job creation on the one hand, and labour standards and social protection on the other. Moving from the juxtaposition of strategic objectives to greater integration was crucial for the continued vitality of the ILO. While the core role of the ILO was to set standards and supervise their application, the future success of the ILO would primarily depend on its ability to develop more fully complementary methods of achieving its objectives, chiefly technical assistance, the provision of high-quality advice to constituents and more intensive collaboration with other multilateral organizations. First, regarding technical cooperation, DWCPs should be implemented in a way that ensured that all four pillars of Decent Work were addressed, and that the pursuit of some did not undermine the achievement of others. There did not always need to be equal emphasis on each of the four components, however, as it was important to balance national circumstances. Some institutional mechanism was needed to evaluate DWCPs to make them stronger and more effective. The speaker expressed support for the elaboration of a framework agreement and national agreements, if these were sufficiently general to allow DWCPs to be driven from the bottom up and not from the top down. DWCPs should not be associated with “conditionality”. Self-evaluation tools could be developed for use in DWCP countries and made available to countries not involved in DWCPs. Fuller consideration was needed as to how DWCPs would be managed by the ILO in the context of UN reform. Second, with regard to empirical verification, the speaker agreed that it was important to increase the Office's capacity to provide practical policy advice and to conduct and disseminate research and analysis, especially on synergies between the strategic objectives. This could be enriched by voluntary country studies. The Government of Canada did not support the proposed peer review, taking into account the already well-developed supervisory system. The peer review process placed a significant burden on countries and often created an adversarial atmosphere. It would be far better to demonstrate through sound research and analysis the positive synergies among the four objectives. Third, on advocacy and normative encouragement, the speaker expressed his Government's serious doubts as to the usefulness of a non-binding, promotional normative instrument as set out in Part II(B) of Appendix I. He doubted whether such an instrument could be operationalized at the national level. A distinction had to be made between the ILO's strategic objectives and the priorities and policies of its Members. It was appropriate for Members to agree on the objectives their organization should focus on as well as a particular way of expressing its mission. It did not follow that these objectives could be transposed back to the national level. The ILO was the collective expression of its Members, but its Members were not the individual expression of the ILO. The chapter set out many useful means of integrating the strategic objectives, but went astray where it placed unrealistic expectations on Members.

**104.** The Government member of Mexico stated that DWCPs should continue to take into account the priorities of each country and their evaluation should be voluntary. He considered the formula mentioned for country studies in paragraph 79 of the report to be appropriate. Such studies should be voluntary and could be carried out on an experimental basis, in accordance with the proposal contained in paragraph 81. While peer reviews had been carried out in regional and international organizations, the speaker took note of

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paragraph 83, which put forward the idea that such a mechanism would apply to all Members. In his delegation's view, peer reviews should only be carried out with regard to Members that had freely chosen to undergo such reviews on a voluntary basis. Peer reviews could confuse ILO supervisory mechanisms if they were implemented as they are in other international organizations. In any case, it should be limited to Members that have accepted to carry out country studies.

- 105.** The Government member of New Zealand, speaking also on behalf of the Government member of Australia, expressed support for the overall principles and direction of the chapter. He supported the principle of cyclical reviews and the introduction of a standing item on the Conference agenda, provided that this did not impose undue additional reporting requirements on governments and that the Office had appropriate resources to provide excellent analysis and concrete assistance. The Governing Body would have to undertake detailed work to ensure that this was a cost-effective change. While supporting the use of an integrated approach, the speaker noted that flexibility was needed in light of the specific circumstances of member States. He supported technical assistance through DWCPs as a key means to realize strategic objectives and contribute to MDGs, but cautioned that DWCPs were still works in progress and encouraged the ILO and those using DWCPs to develop evaluation processes. Greater information sharing about DWCPs might encourage uptake by member States. As DWCPs depended on the specific requirements of the countries concerned, the introduction of any institutional framework agreement that would impose a specific model or obligations regarding progress should be avoided. More clarity was needed as to how any framework agreements would potentially interact with DWCPs. Further work was required regarding any peer review mechanism, which should be voluntary and promotional, rather than supervisory in nature. Peer review should not place undue pressure on member States in terms of monitoring and reporting. The current process of implementing and reporting on DWCPs would create a wealth of information for the ILO to draw on. In the first instance, the ILO should use this and any relevant information already provided to other UN agencies and multilateral organizations, rather than replicating the gathering of this information. It was premature to consider any form of normative action to encourage member States to adopt integrated policies. The emphasis should be on promotion rather than prescription. The ILO should be clear as to what proposed objectives were not already met by the existing framework of constitutional obligations.
- 106.** The Government member of India welcomed the idea of the strategic objectives and strengthening horizontal governance. Effective persuasion to encourage Members to embrace an integrated approach could be achieved in the three main ways that the Office report had outlined, that was, by extending and strengthening DWCPs through technical cooperation, by research on and verification of the synergies between objectives, through empirical analysis and the exchange of information and experiences, and through advocacy to encourage member States to implement social and economic policies. Where monitoring and evaluation were concerned, as envisaged in paragraphs 70–72, the speaker suggested the idea of self-inspection and evaluation within a set of guidelines offered to the country by the ILO, instead of evaluation by other countries. While the Decent Work concept had wider acceptance with other organizations, it was important that the ILO maintain its trademark stamp and strong comparative advantage. If not, economic affairs ministries might control the concept, while the social partners were left out. That point was especially important within the context of UN reform. The ILO also needed to pay more attention to its analytical capacity and how it defined the Decent Work concept in countries at different levels of development.
- 107.** The Government member of the United States, speaking also on behalf of the Government member of Australia, strongly supported the integration of the four strategic objectives in the ILO's work, including DWCPs. They should be mutually reinforcing. That did not

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mean that all strategic objectives received precisely equal attention or resources at all times. DWCPs were works in progress. It was premature to consider radical changes to a programming mechanism that had not been given adequate time to prove its worth. Any institutional framework that would impose a single model for all DWCPs would be contrary to the intention behind DWCPs, which were meant to be developed by tripartite constituents at the national level to reflect grass-roots level priorities. They were to focus on no more than two or three priorities, so that their goals would be realistic and attainable. Voluntary country studies were a useful means of exchanging best practices and lessons learned. The speaker did not support the proposed mandatory peer reviews as these would establish a parallel supervisory machinery, which was unacceptable. Consideration of an authoritative document was premature at this juncture. The speaker closed by echoing the views of the Government member of Canada, to the effect that, while the ILO was composed of both its Members and the Office, it did not follow that the reverse was true. The focus should not be on Members' policies, but on how to best strengthen the capacity of the Organization to respond to its Members' needs.

- 108.** The Government member of Argentina stressed the importance of DWCPs as an integrated vehicle for delivering Decent Work and supported the Office proposals contained in paragraphs 70–72. Technical cooperation was a key means through which the ILO could assist its Members. The speaker noted that decentralization was necessary in order to encourage the active involvement of the social partners at the national and regional levels. Some countries had already begun work on Decent Work indicators. The Office should make a considerable effort to harmonize and validate indicators at the national, regional and global levels. The speaker supported the proposal for a peer review mechanism as proposed in paragraph 82, but noted that such a mechanism would require careful consideration. To be a centre of excellence within the multilateral system, the ILO would need to strengthen its research capacity and exchange of specialized knowledge on globalization by strengthening the International Institute for Labour Studies, the International Training Centre and the Inter-American Research and Documentation Centre on Vocational Training (CINTERFOR) and using them as strategic tools. There was particular need for quantitative analysis on employment at the macro level as well as qualitative analysis of good practices, for example. While the speaker supported cyclical reviews, she recognized that they needed to be more fully defined. The ILO's supervisory mechanisms needed to be made more efficient and transparent. That would be a challenge.
- 109.** The Government member of Nigeria, speaking on behalf of the Africa group, noted that the number of ratifications painted a deceptive picture regarding implementation of the four strategic objectives. The implementation of results-based management for strategic budgeting provided an overview in terms of implementation, but did not reveal how the budget was translated into reality. On the ground, there remained the challenge of effective monitoring of progress. Paragraph 63 of the report was important because member States were faced with the need to enhance their own internal coherence in public policy-making. Regarding the modalities and delivery of integrated DWCPs, the Africa group believed that technical cooperation efforts had to be adapted to each country's context, while also relating them to the targets outlined in box 3.1, on the MDGs targeting poverty reduction. Priorities should be selected so as to eliminate any clash among policy components. That could be achieved through periodic reviews of programmes. Of the proposed frameworks for monitoring and delivery of technical cooperation, the Africa group supported a contractual mechanism which would commit a State to using all means necessary to harmonize Decent Work strategies with its priorities and national circumstances and which would be approved by the social partners at the highest level. The choice of such a framework included three key elements: mobilizing local knowledge, applying the principle of participation, and fixing priorities. Not all countries were equally endowed with human resources, however. Training was required before this framework could be fully adopted. The Office needed to consider the regional interpretation of Decent Work

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indicators. Regarding paragraph 75, policy advice should be guided by voluntary country studies and best practices. There should be tripartite evaluation of progress. The advocacy mentioned in paragraphs 87–89 would serve a beneficial purpose.

- 110.** The Government member of Denmark, speaking on behalf of the Nordic group, aligned her remarks with those of the EU. The Nordic group attached great importance to an integrated approach to promoting Decent Work. The ILO should aim to achieve this both by strengthening the integration of different departments in the Office and in its work at national level. DWCPs were works in progress and a means to promote country ownership of the development process by taking national priorities and circumstances into consideration. One of the main potential DWCP strengths was country-based formulation involving tripartite constituents. It was the responsibility of all relevant actors in the country to seek internal policy coherence by including ministries of finance or economy in the exercise or by including the DWCP in the Poverty Reduction Strategy Paper (PRSP) process. The Decent Work Agenda was a useful framework under which to develop DWCPs. The Nordic group expressed concern that a contractual framework might result in a “top-down” process, which could be counterproductive. It was important to be able to demonstrate progress achieved through successful examples. Learning from the experiences of others was central, and improved regional exchange of DWCP experiences could assist with this. Regional offices could play a key role in facilitating this. The speaker recognized the value of establishing indicators at the national, regional and even global levels to monitor the progress of Decent Work, but stressed that there should be no ranking of countries involved.
- 111.** The Government member of Cuba said that it had been indispensable to include in this Conference the subject of strengthening the ILO’s capacity. The analysis forced delegates to clarify the possible solutions to the problems with which Members who received assistance were faced. Referring to paragraph 86, the speaker suggested that a wide consultation process could allow countries to bring forward ideas on the framework and on the most appropriate type and form of country studies. With regard to advocacy and normative encouragement, ILO normative tools were deemed adequate, although other instruments might be adopted on specific subjects in future. Governments needed to implement their policies and plans in accordance with national characteristics and conditions. The adoption of coherent global policies did not depend solely on the good will of governments, but also on the real conditions and inequalities that existed in trade, finance and the international economy. With regard to any integrated instrument, the speaker shared the concerns expressed in the report, notably that a normative focus of this type could have considerable repercussions, with regard to follow-up and content, even if it came in a purely promotional and non-binding form. As these points went beyond the scope of the Committee’s discussion, they should be examined by the Governing Body before being placed on the agenda of any further session of the Conference.
- 112.** The Government member of France fully supported the EU statement. The discussion had now moved from vertical to horizontal governance, with a view to the integration of the ILO’s strategic goals, and not simply their juxtaposition. Chapter 3 encouraged a more coherent mobilization of the ILO’s means of action in terms of structure, headquarters and the field. It implied improving the DWCPs, achieving cross-fertilization of experience, and “advocacy” and normative encouragement. In terms of the DWCPs, his delegation was open to all of the possibilities proposed in the report as they were aimed at improving systems that could be seen to lead to multiple benefits. In particular, they would lead to better coherence in the way programmes were developed and more impact at national level. Those would in turn garner support from the donor community. Highlighting the link between vertical and horizontal governance was essential. The Governing Body had taken such an integrated approach in talking about the Decent Work objectives, putting them at the core of the proposed Programme and Budget for 2008–09 about to be approved by the

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Conference. The speaker supported the report's proposals with regard both to encouraging cross-fertilization of experiences and undertaking peer reviews, as such systems allowed for a better understanding and analysis of national experience. Considering the heterogeneity of countries, it made sense to pick from a toolbox of others' successful methods.

- 113.** The Government member of Switzerland supported the idea of creating a better institutional framework to implement and evaluate the DWCPs, which played a central role in the strengthening of horizontal governance. The institutional framework agreement as put forward in paragraph 71 of the report was also interesting but needed to be looked at in more detail. The idea of self-assessment put forward in paragraph 73 was potentially risky as the indicators used would differ too much from country to country. His delegation therefore supported the ILO's threefold strategy to develop statistical indicators, as these would help Members to learn from one another's experiences. Bringing state aid into line with national objectives was crucially important, particularly in view of the 2005 Paris Declaration on Aid Effectiveness. It was important, therefore, to look at the tools available to make sure the strategic objectives of Decent Work were integrated in national strategies. The implementation of the Decent Work Agenda had to be based on cooperation with UN institutions and programmes. In terms of the empirical verification of synergies between the strategic objectives through a cross-comparison of experiences, the speaker welcomed the idea of a network of experience, such as the one at the WTO. The concept of peer review should be examined in greater detail, especially with regard to how thematically linked information from existing reports could be used in a more rational way; and how the peer review mechanism could be integrated with existing policy review mechanisms, either internally or externally.
- 114.** The Government member of Belgium encouraged the Office in its efforts to integrate the four strategic objectives, which was essential for the Organization's success. The Office already had a variety of means to integrate the objectives which were being dealt with in the programme and budget discussions. The improvement of existing instruments and methods could already contribute to limiting the "pick and choose" approach to Decent Work mentioned in the report. The 2008–09 biennium should focus on the DWCPs, as a more integrated approach to promoting the Decent Work Agenda through those programmes would allow for a better identification of the priorities and financial needs of the ILO. The proposal of evaluating DWCPs put forth in paragraph 70 was therefore important. Nonetheless, her delegation could not see the added value of the proposed contractual framework agreements in relation to the DWCPs, and requested the Governing Body's Committee on Technical Cooperation to weigh in on the question. Since the proposals of country studies and peer reviews appeared to be in embryonic form, she suggested that the Committee note its interest in these proposals and mandate the Governing Body – possibly in the ESP Committee – to prepare a more in-depth study on their methodological feasibility.
- 115.** The Government member of the United Kingdom supported the EU statement and fully supported the DWCPs as a means of integrating and delivering the four strategic objectives. The DWCPs should reflect PRSPs as well as tripartite consultation, and be linked to the ILO–UNDP joint partnership agreement of January 2007. The four levels of monitoring the DWCPs proposed appeared to be burdensome and bureaucratic. A simpler system should be devised that could be mainstreamed in the ILO, based on a minimum, but critical, set of easily understandable and comparable key indicators, consistent with UN and other international standards. These required discussions, in which his delegation was keen to join. The DWCPs should be implemented within the UNDAF through the Resident Coordinator System. As the ILO had committed to participation in "One UN" pilots, it was important to understand how the proposals took account of the ongoing discussion to develop a coherent monitoring model. The speaker also wondered who would hold

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governments accountable for non-performance within the proposed framework agreements. He supported the principle of peer reviews, but noted that it was not clear who would be expected to participate in the report's proposed peer reviews and whether this would only be on a voluntary basis. He was concerned that all member States might be subject to peer review by Governing Body working groups, which might constitute a parallel supervisory mechanism, or that peer reviews would duplicate work Members were doing through the EU and the OECD. The speaker also requested clarification regarding paragraph 90 and asked how a purely promotional and non-binding instrument could provide a legal basis for a peer review system, and how it could complement the 2008–09 objectives and targets relating to increased ratification of various ILO instruments.

- 116.** The Government member of the Netherlands supported the EU statement and believed that the question of horizontal governance needed to be examined at three levels: at the country level, at the level of the governing structures of the ILO, and at the level of the organization of the Office. At the country level, the primary vehicle for synergies was the DWCPs and these should reflect the priorities of all constituents at the national level. Nonetheless, DWCPs were not widely used. Their use should be broadened and their role strengthened in the ILO and in the UN reform context. The relation between the DWCPs, PRSPs, UNDAF and “One UN” programmes was not clear. Moreover, as pointed out by the Government member of Canada, there were ILO priorities and national priorities, so there was a risk that certain ILO objectives might be neglected in the formulation of DWCPs. These programmes also tended to focus on less developed countries. While appearing to address these weaknesses, the framework agreements proposed in the report brought up more questions, namely how these would differ from the DWCPs, how they would relate to national policies, and how they might relate to the ILO's legal instruments as contractual mechanisms. The speaker agreed that the ILO needed to strengthen its knowledge base and improve the practical orientation of its policy advice, and in this light supported in principle the idea of country studies. However, he considered them to be a possible administrative and financial burden. The speaker also doubted the validity of quantitative targets applicable to all countries, given the diversity of national situations. Country studies and peer reviews should be undertaken on an ad hoc and trial basis to see if they were worth the investment, provided they could be carried out within existing resources.
- 117.** Turning to the ILO's governing structures, the speaker found the Governing Body to be too compartmentalized to allow for coherence. To remedy this, the DWCPs should better inform the decision-making and programming and budget processes, as well as the ILC. To promote cross-fertilization among Governing Body committees, a reconsideration of committee structure along the four strategic objectives could be envisaged. The Working Party on the Social Dimension of Globalization could be transformed into a committee on policy coherence, for example, or the PFA Committee could be restructured to allow for more space for substantive debate and coherent guidance to the Office and the member States. Finally, with regard to the organization of the Office, the speaker pointed out that the Office faced challenges in coordination and sharing knowledge, and in having a field presence that responded to the most urgent needs. More analysis was needed on the organizational implications of reform for the Office. Possible solutions included replacing the Policy Integration Department, which had not been found to be effective, with a programme board that could promote coordination and harmonization. Further measures could include the field structure review, a review of the programming cycle, strengthening human resources development, further implementation of results-based management and improving evaluation activities.
- 118.** The representative of the Secretary-General stated that he could not at this juncture respond to all of the technical questions posed by members of the Committee, but would try to provide additional information at a later stage. He noted that the discussions on

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integrating an employment indicator into the first MDG (eradicating extreme poverty and hunger) had been ongoing, but he would defer to other colleagues for a more complete answer as to the progress so far achieved. As regarded the inclusion of DWCPs in the UNDAF, there was not yet any conclusive answer, as implementation was so far taking place only in a few pilot countries. On the question of the legal basis of the authoritative document on horizontal governance, he pointed to the footnote in paragraph 90, which suggested a promotional, non-binding form. It was unlikely that a DWCP could be developed for each country. It was important to see what was feasible and to apply the approach to those most able to benefit. In response to the question as to how country studies representative of all regions could be carried out, he suggested that indeed regional samples might be possible, and that some related information was already available through the Promotion of Social Dialogue in French-speaking Africa (PRODIAF) initiative and certain projects under the follow-up to the 1998 Declaration. Turning to the question as to whether the contractual nature of the framework agreement proposed in paragraph 71 implied conditionality, he stressed that this was not the case. Agreements were voluntary and the contractual nature of the arrangement only extended to the resources that would be committed to the exercise. Peer reviews were also voluntary and implied a review of good practices and lessons learned through a tripartite process. They were in no way a transposition of the supervisory mechanisms to the national level. Regarding the relative weight of each strategic objective in the DWCPs, he stated that the aim was to determine the right mix of priorities through tripartite consultation. There was no one-size-fits-all approach. Turning to the question of the relation between DWCPs and the comments of the supervisory bodies, the speaker pointed out that this would depend on the nature of those comments. The DWCPs might indeed be helpful for resolving problems raised by the ILO's supervisory bodies, but that was not their principal aim, which remained an integrated approach to address the overall situation in a given country. Finally, he informed the Committee that Decent Work indicators were currently under discussion. It was important to stress, however, that "indicators" were not to be confused with an "index".

- 119.** The Special Adviser to the Committee provided some additional information regarding the difference between country studies and peer review. He recalled that previous voluntary country studies conducted in 1997–99 had focused on seven countries at different levels of development and from different regions, which were chosen on an ad hoc voluntary basis, but which formed a representative sample. This made it possible to draw more general lessons from the national experiences reviewed. The country studies proposed in this report would have a similar purpose. The peer reviews would be a step forward beyond the country studies as they implied that all countries would have to agree on a common procedural and substantive framework. There would be no contradiction between the proposed peer review system and the current supervisory mechanism.
- 120.** The Employer members reiterated their support for policy coherence by taking into account national particularities and circumstances, and promoting a bottom-up, as opposed to top-down, development process. There seemed to be a general consensus that country studies should be voluntary and based on tripartite consultation. As regarded peer reviews, the Employer members emphasized that they should highlight good practices and lessons learned rather than to point to deficiencies. They also noted that peer reviews had not garnered much support in the Committee. The DWCPs should be decided at the national level, through the tripartite dialogue. The Employer members believed that it was premature to consider an authoritative document. They sensed a general agreement among the Committee members that further discussion was needed and that the feasibility of the proposals would have to be examined more closely.
- 121.** The Worker members agreed that there was a need to continue discussions beyond this session of the ILC. What was important was to reach an agreement on the goals laid out in Chapter 3, even if the operational details were still to be worked out. Further explanations

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regarding outstanding questions would be needed by the Office to continue an effective consultation process after the close of the present Conference, including on the division of work on the various aspects of the report between the Conference and the Governing Body.

## Chapter 4 New partnerships for Decent Work

122. The Special Adviser to the Committee explained that Chapter 4 of the report took as its point of departure the proliferation of new actors in the field of social policy. When the ILO was created, the main, if not exclusive, actors were state actors. There were now international and regional integrated movements, financial institutions at the universal and regional levels, and non-state actors, including multinational enterprises. The ILO had no formal connection to many of those actors as they lay outside its constitutional reach. In view of the impact of those actors on the willingness and capacity of ILO Members to define social policy, there was a serious risk that the ILO's exclusive reliance on States would make it appear increasingly irrelevant. There was no question that the ILO could remedy the situation by extending its mandate or encroaching upon the mandate of other organizations. However, the ILO had a capacity to persuade those actors, with the authority and legitimacy inherent to its tripartite structure, and the report reviewed how that capacity could be best used to influence new actors at three main levels. First, the ILO had to address regional integration, in particular bilateral and multilateral agreements with a social dimension. The report proposed that the ILO should follow – not monitor – these regional and inter-State developments systematically, as had been done for some time through the Working Party on the Social Dimension of Globalization. Furthermore, the ILO could raise awareness of member States of the importance of consistency between their commitments to the ILO and under regional agreements. Second, with regard to intergovernmental organizations (IGOs), the report proposed developing synergies between the ILO and IGOs, to make them aware that the ILO's efforts to strengthen its Members' institutional capacity were also in the interest of creating the necessary infrastructure for sustainable development. The report encouraged IGOs to participate in this work, even in the absence of reciprocal agreements. Joint ventures could be built in areas of common concern, as was illustrated by the WTO–ILO joint study entitled *Trade and employment: Challenges for policy research* (2007). Finally, the ILO could influence non-state actors through tripartism at the international and national levels. Awareness could also be built among non-state actors as to how they could contribute to building state capacity to achieve ILO goals. That might be of mutual interest as there was a growing tendency to shift to non-state actors responsibilities that the State failed to discharge. It would also be possible to consider voluntary studies as to how certain non-state actors contributed to increasing state capacity in relation to the strategic objectives.

123. The Employer members began by recognizing that governments needed the tools and the means at national level to translate words into action. Governments, particularly in the developing world, could benefit from ILO assistance in strengthening labour administration, a goal supported by the Employer members. The Employer members recalled that the Declaration of Philadelphia was adopted at a time when there were few international organizations. The world had changed, however, and today there were many organizations with differing mandates and the ILO needed to explore suitable partnerships. Public-private partnerships were widely accepted throughout the UN system and supported by the Employers' group. The key was to be clear as to what the ILO could contribute, and what was needed for that contribution to add value. The ILO needed to be positive and respectful in discussions on collaboration or coordination with other UN agencies, with regard both to UN reform and to the ILO's normal work. It would be counterproductive to take a negative approach to the mandate and perspectives of the ILO's partners. Instead, the ILO should convince others that helping to give effect to the mandate of the ILO could help them to realize their own objectives better. The ILO should be clear as to the

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substance of what it brought to the collaboration. Diverse demands were placed on the ILO regarding issues of major concern, such as climate change, international tax policy, regulation of international financial instruments, trade policy, macroeconomic policy, development policy (including the MDGs) and poverty alleviation. But, in light of the consensus that had already emerged regarding the lack of ILO technical and analytical capacity even on issues directly related to the workplace, the question arose as to how the ILO could be excellent at and credible on everything. The Employers' group agreed that those issues were relevant, important and interrelated, but believed that the ILO should focus on the world of work and be excellent at that in order to have meaningful engagement with others. If the ILO did its job well, it would be seen as an organization that others needed. That would in turn enhance the ILO's influence on broader, related issues. Without a strong sense of its identity, its mission and its capacity to add value, the ILO would never effectively move from advocacy to impact. The report largely focused on the Bretton Woods institutions, while reflection was also needed on effective collaboration with other UN agencies, such as the UNDP, and with regional development banks, which carried out research, surveys and needs assessments of States within their regions. Those partnerships could be of benefit when drafting DWCPs. The ILO should not try to insert itself into bilateral, regional and multilateral trade agreements. While the Employers' group supported greater involvement of the social partners in these processes, the ILO should only become involved where its assistance was requested and in a manner consistent with the interests of all its affected constituents. The ILO should not pursue aggressive engagement into the mandate of others, particularly of the WTO, nor should it assume some form of gatekeeper role with regard to labour provisions in trade agreements. If it wanted its mandate to be respected, the ILO should also respect the mandate of others. In any case, the tone and substance of partnership modalities should be set by the Governing Body. They could support the idea that governments should be more consistent in ensuring that commitments made in one organization were not forgotten in others, but noted that it was a two-way street. ILO policies would not be given priority everywhere. The ILO could just as easily be affected by decisions taken in other organizations. The issue of corporate social responsibility (CSR) was carefully nuanced in the report and the Employer members welcomed the fact that CSR was being handled by the Governing Body's Subcommittee on Multinational Enterprises. However, the world of work was not made up just of multinational enterprises. The bulk of employers were small and medium-sized enterprises, and the Employers' group needed to ensure that their needs also would be met through ILO policy and action. Partnerships were not always easy, but the ILO should be confident of its ability to articulate and execute its particular mandate, both in terms of action and intellectual robustness.

- 124.** The Worker members did not believe that fundamental truths changed with changing times. The values enshrined in the Declaration of Philadelphia were as valid today as they had been when that instrument was drafted. Other institutions may have arisen and become specialists in some areas, but the original institution, the ILO, did not need to surrender its mandate. Implementing the Decent Work Agenda depended on a strong role for the State and trade unions. The report was extremely cautious regarding work with other organizations, and the proposed authoritative document should try to formulate further ideas. Recalling the devastating effect of structural adjustment policies and the cutbacks to basic social protection and other public-spending programmes that the international financial institutions had promoted at a time when the ILO and the UN system generally were working on poverty eradication, the international trade union movement considered that fundamental reforms were needed at the WTO, the International Monetary Fund (IMF) and the World Bank to restore legitimacy to the world's multilateral decision-making institutions. A strengthened UN must play a key role in collaboration with those institutions to manage global economic integration, and the ILO had a key role to play with regard to international economic policy. Trade unions had welcomed the recommendation from the World Commission on the Social Dimension of Globalization that "All relevant

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international organizations should assume their responsibility to promote [core labour standards] and ensure that their policies and programmes do not impede their realization.” The conclusions of the ECOSOC High-level Segment in July 2006, with the call for all intergovernmental agencies to work together to achieve Decent Work objectives, offered the ILO a pivotal role to play. Indeed, UN reform provided an opportunity for the Decent Work Agenda to be promoted and adopted throughout all the multilateral agencies. The ILO was not seeking to impose external management on other organizations. It was asking the multilateral system to check the impact of its policies on the Decent Work Agenda. The Worker members supported the report’s position on CSR, while noting the reservations of the International Trade Union Confederation (ITUC) Congress about not undermining labour standards. The Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration), with its commitment to fundamental trade union rights, deserved renewed follow-up. Bilateral relations and interaction between the social partners, in the context of globalization, should be enhanced and strengthened and this should be reflected in the Committee’s outcomes. While the message of Decent Work should be widely disseminated and include other partners, it was important to bear in mind the tripartite structure of the ILO. Trade unions, employers’ organizations, governments and the Office would choose together the other actors with whom they would work. The Worker members were not talking about changing the ILO’s mandate or having other institutions change theirs. They did, however, stress the need for coherence regarding the social and employment implications of each institution’s actions.

- 125.** The Government member of South Africa observed that new actors in the field of labour were not a risk but an opportunity, as there was internationally strong demand for the vision of the Decent Work Agenda. He supported the wording of paragraph 102 of the report, which pointed to the rejection of the regionalization of standards, stating that this principle should remain non-negotiable. The report proposed consultation with the ILO in the elaboration of regional agreements. In his delegation’s view this was insufficient, as in most cases the social partners were not part of negotiations, a matter on which the report was unfortunately silent. Much was expected of social dialogue, as the events surrounding the election of the current Conference President had shown. The report had also failed to stress that the ILO could influence partnerships by focusing on fundamental rights. While not imposing its view, the ILO could be bolder in its partnerships, based on its own objectives and built around Decent Work. It was also important to try to dispel the negative view there was of worker participation.
- 126.** The Government member of Indonesia appreciated the idea of the ILO entering into agreements with regional organizations, since doing so could improve the capacity of each organization. He highlighted the example of the agreement between the ILO and the Association of Southeast Asian Nations (ASEAN), in which the ILO agreed to promote programmes and activities of ASEAN member countries, pointing out that more issues should be developed to enhance cooperation between the two organizations.
- 127.** The Government member of Germany, speaking on behalf of the Governments of Member States of the EU, welcomed Chapter 4’s strong reference to policy coherence at different levels, including with non-state actors. CSR initiatives, including the MNE Declaration, could complement state initiatives and also provide guidance for companies active in countries confronted with institutional weakness, but CSR could not replace the role of governments in shaping a favourable environment for employment conditions. Having discussed vertical and horizontal governance, the EU supported a multifold and cascade-type approach to the question of coherence. This also applied to the ILO’s internal coherence and the Office would do well to pursue its comparative advantages in this respect. She noted that the Council of the EU had reiterated on many occasions the need for policy coherence at the multilateral level and in UN reform, including “One UN”. However, coherence at all levels could only be consistent if it started at home. Members

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needed to be more consistent in ensuring that Decent Work commitments made in one organization were not forgotten in others. Coherence at the regional level was the next step. It was important to ensure constructive cooperation between national, regional and multilateral levels, particularly in light of the social dimension of EU integration. International and multilateral level coherence was also highly relevant to achieving an integrated and coherent Decent Work approach and to implementing core labour standards. Multilateral cooperation could contribute to win-win situations through the design of a new employment-generating development strategy, while systematically including a wider range of ministries in discussions on trade impacts. Economic growth, employment and social development should go hand in hand. Cooperation should be accompanied by impact assessments, drawing on an improved statistical and knowledge base as well as using DWCPs.

**128.** The speaker further underlined the need to develop methodologies to assess the effects of trade and trade agreements on Decent Work, including global supply chains and export processing zones. The overlapping mandates and partly differing comparative advantages of the various actors had to be taken into account. Differing examples of well- or only partly well-functioning coherence revealed the need for policy coherence to be embedded in the broader context of the UN. The ILO needed to ensure and demonstrate coherence between DWCPs and other national policies. “Delivering as One” offered an important opportunity for continued ILO engagement in UN reform and system-wide coherence. The potential gains from this concept also brought considerable challenges for the ILO. Safeguarding its unique tripartite structure, its standard-setting capacity and the Decent Work Agenda would provide a real asset to the UN system as a whole. That aspect of “One UN” still needed more discussion in relation to the Decent Work Agenda. She asked the Office to provide further details on how the Decent Work Agenda could be advanced within the context of “One UN” and its different pilots.

**129.** The Government member of the Netherlands supported the EU statement. It was important to judge the compatibility of partnerships with new actors, in particular in terms of protecting fundamental principles and rights at work. It was time to add a social dimension to the work of the many relevant international partners dealing with globalization. The WTO–ILO study was encouraging in that respect. Strengthening the capacity of developing countries to design and implement DWCPs, with particular emphasis on the social impact of economic reforms, could reinforce support for such reforms. The ILO and its international partners should facilitate Members’ implementation of coherent economic and social policy. Economic growth went hand in hand with social development and was fostered by sound and predictable labour relations and legislation based on international labour standards. The report’s approach to bilateral, regional and multilateral agreements and to multilateral organizations was sensible, in that it was not a matter of competing competencies but of creating synergies to achieve common goals. He emphasized the need to demonstrate clearly the ILO’s added value in its daily work and public policies. His delegation welcomed dialogue, such as the cooperation with the UNDP and ILO participation in the “One UN” process. Cooperation with other organizations needed to be meaningful and he questioned the level of integration and harmonization of the DWCPs with the programmes of other organizations. His delegation also sought clarification regarding the ILO’s relationship with the International Organization for Standardization (ISO). He encouraged the Office to prepare discussions within the Governing Body that would look at how the proposed actions should be undertaken. While the chapter gave good descriptions of possible actions, for example actions Members should take to promote a fair globalization, it did not describe how these could be implemented. The Governing Body should also look at how to monitor developments in the UN in order to find synergies and to promote coordination mechanisms to avoid overlap and possible confusion with regard to applicable standards and follow-up mechanisms.

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- 130.** The Government member of France supported the EU statement. He stressed that external partnerships were a crucial element in strengthening the ILO. The importance of regional organizations was clear from the example of the EU, which developed integrated social policies and development policies, and also delivered integrated studies, technical cooperation and data. In that respect he found paragraph 96 of the report was not sufficiently bold. He further emphasized that convergence and coherence between member States should be reinforced through dialogue. Partnership with other international organizations applied to organizations in the UN system as well as Bretton Woods institutions. There was also a role for non-state actors, such as enterprises and in particular multinationals. It was clearly the primary responsibility of governments to develop coherent social policy, but this did not exclude the increasing participation of non-state stakeholders benefiting from social progress. Moreover, the Governing Body regularly faced the question of voluntary standards. The speaker noted the importance and increasing impact of voluntary agreements as a third source of standards in addition to legal standards defined by public authorities and collective agreements defined by the social partners. He emphasized that the development of such agreements created a strategic dilemma for the ILO as to whether to simply observe the phenomenon or to try to influence it.
- 131.** The Government member of the United States stated that partnership was inherent in the concept of tripartism and essential to the ILO's day-to-day work. In considering ways to improve and expand partnerships, she underscored that the ILO should maintain its focus on its own core mandate and areas of expertise, rather than expand into areas that were the domain of other organizations. Regarding the ILO's role in the development and monitoring of bilateral or multilateral trade agreements, she believed that the ILO, if requested to do so by the countries concerned, could provide valuable advice and expertise in those areas. However, it could not be assumed that the ILO should automatically have any direct role in the development and monitoring of trade agreements between sovereign States. She strongly supported ILO cooperation and collaboration with other international organizations and international financial institutions, as well as ongoing dialogue and joint activities, with each organization focused on its own area of competence. The best way for the ILO to ensure its role in the international community was by credibly demonstrating its excellence and comparative advantage. Non-state actors could be valuable partners and she encouraged the Governing Body's Committee on Technical Cooperation to continue to consider the issue of public-private partnerships. She also noted that the conclusions of the 2006 Conference Committee on Technical Cooperation had not been reflected in the current report, and recalled that those conclusions had recommended enhancing the knowledge base and the importance of deploying resources to the right place at the right time. They had also emphasized the importance of focusing on the DWCPs, of seeking to influence the UN system framework and to contribute to national strategies, and of facilitating tripartite involvement. The speaker concluded that the discussion was fundamentally about changes in the global environment and how to make the improvements necessary to make the ILO a more effective organization.
- 132.** The Government member of Nigeria, speaking on behalf of the Government members of the Africa group, noted that paragraph 93 of the report underlined the importance of strengthening the capacity of States to regain their central position of governance in order to maximize the advantages of globalization and to distribute its costs fairly. Regional integration, expressed through common markets and, in some cases, common currencies, as well as the free movement of goods and services, should be used to foster partnerships to improve the DWCPs. To implement that, the strategic capacity of the tripartite partners at country level needed to be strengthened in order to negotiate formal cooperation agreements. There was a key role for the ILO to make the Decent Work Agenda part of the terms of agreement. It was also an opportunity to enhance and promote the ILO's relevance among its peers. The Africa group also supported partnership with international organizations with relevant competencies, as illustrated by the positive example of the

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WTO–ILO study in finding common ground. That was useful for the design of further DWCPs, addressing the social impact of economic reforms, and helping the transition from informality to formality, which was a subject of primary importance for many African countries. Less developed States should synchronize and consolidate their efforts in the area of physical infrastructure, but should also allow openness and penetration of the economy through information and communication technology access and effective human capital development, as those were essential to leveraging financial support from the WTO, World Bank and IMF. The Africa group supported the “voluntarist” approach recommended in the report, in acceptance of obligations. ILO procedures, values and objectives should be made compatible and consistent in fostering social progress. Although the matter was complicated, that was something that could be taken up by the Governing Body. The speaker welcomed paragraphs 105–108 on the question of follow-up mechanisms and the focus on dealing with policy synergies. With regard to the anti-economic bias attributed to trade unions by the World Bank, he considered that that would easily be erased once the capacities of trade unions had been strengthened to assist workers effectively to develop skills and productivity. Progress of that kind would make trade unions irresistible to the World Bank. The Africa group supported paragraphs 119 and 120 dealing with the promotion of policy coherence. However, that coherence should go beyond the WTO, to include the IMF and the World Bank. It should also include internal coherence among the departments of the Office. In partnership with international organizations, employment should be a priority. States needed to be strengthened in order to discharge their responsibilities and they also needed to seek genuine allies in the private sector and among non-state actors. Public-private partnerships and CSR could be combined in technical cooperation, using the International Organisation of Employers as a facilitator, while focusing on DWCPs. Public-private partnerships could also be formed in the area of labour administration and inspection, where technical cooperation would also be useful in the Africa group.

- 133.** The Government member of Mexico took note that, in the context of the new partnerships for Decent Work, the ILO did not wish to create a specific institutional framework, since the problem of a lack of such a framework had been surmounted by formal cooperation agreements. With regard to the report’s proposal to strengthen the ILO’s means of action to help constituents shape regional and other international economic integration arrangements, his delegation believed that that idea highlighted the tendency to include social clauses in different economic or trade agreements, which could disadvantage developing countries by making such agreements dependent on achieving respect of labour standards.
- 134.** The Government member of Australia broadly supported efforts to promote policy coherence. Australia was concerned to ensure, however, that any action taken in relation to this was done in a manner that was consistent with the mandates of other international organizations and did not force Members to be at odds with their engagement in other organizations. As regarded the proliferation of bilateral trade agreements, his Government was opposed to the inclusion of clauses on compliance with labour standards in trade agreements. Furthermore, Australia considered trade liberalization, and the resulting economic development and growth, to be an effective and practical means of enhancing labour practice in developing countries. He recalled the 1996 Singapore Ministerial Declaration, which reaffirmed the ILO as the most appropriate body to establish and supervise international labour standards, and noted the continued collaboration between the ILO and WTO on trade and employment matters, which already provided adequate opportunities for discussion on these matters. His delegation opposed a third-party role for the ILO in trade agreement negotiations, unless specifically requested by the parties to the agreement.

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- 135.** The Government member of Cuba said that while the majority of poor countries were in debt, they had the right to seek their own solutions without political constraints or interference. Referring to the reassessment of the zero-growth budget mentioned in the preface of the report, the speaker emphasized that any proposals to increase the budget would affect developing countries, whose contributions had already risen in past years. With regard to partnerships with international organizations, he wished to avoid any situation in which funds for implementing Decent Work on a global scale resulting from partnerships with the WTO or other international organizations, particularly financial institutions, were dependent on conditions or prerequisites, unless the terms had been authorized by the secretariat or donors. Likewise, any funding, advantages or other assistance for implementing the DWCPs should not be dependent on compliance with international labour standards.
- 136.** The Government member of Canada welcomed very positively the analysis of Chapter 4, which underlined the changes having occurred in the world since the ILO's creation and its need to adapt to those new circumstances. The report raised legitimate concerns on the interactions between the agreements of regional integration and the objectives of the ILO. He supported the proposals for possible action, such as to follow the evolution of such arrangements more systematically and to undertake awareness initiatives in order to increase coherence. He suggested promoting dialogue between countries and the ILO, when the former desired to conclude agreements referring to ILO standards. He agreed that the objectives of different actors in the context of globalization were interdependent and that was especially the case of international organizations. In that regard, he strongly supported the proposals contained in the report for a more coherent attitude on the part of the Members of other international organizations, and strengthened dialogue and concrete cooperation among them. The WTO–ILO joint study should be cited as an example to follow. That kind of initiative would contribute to more policy coherence of member States, by providing them with means of persuasion to develop more coherent policies. The proposals concerning the non-state actors appeared reasonable, and dialogue on how to reinforce mobilization of such actors should be encouraged.
- 137.** The Government member of Brazil, speaking also on behalf of the Government members of Argentina and Uruguay, noted with enthusiasm the interest shown in the Decent Work Agenda in international organizations, particularly within the UN system, as evident in the ECOSOC High-level Segment Ministerial Declaration. The ILO's message had met with clear support from regional and subregional organizations. For the first time in the southern hemisphere, the Heads of State and Government of the Organization of American States (OAS) had met at their Fourth Summit in Argentina in 2005 to debate the issue of Decent Work. MERCOSUR had some time ago included the promotion of Decent Work as one of the strategic objectives of the region's socio-economic development. The joint communiqué of the Summit of MERCOSUR Heads of State in Rio de Janeiro in January 2007 had underlined the importance of Decent Work, emphasizing the efforts of the MERCOSUR High-level Group created to develop the first regional guidelines on MERCOSUR's employment growth strategy. Measures were necessary to ensure the practical implementation of such policies, including the integration of economic and social objectives. The traditionally exclusive nature of economic and social development policies persisted, and had been further complicated by the environmental dimension to be taken into account at the national and international levels, as the Director-General had emphasized in Report I(A) to the present Conference, *Decent Work for sustainable development*. The integration of all those objectives required a certain effort of persuasion on the decision-making process in the economic field, to be based on the theoretical studies and empirical studies of good practices. Ministries of labour should intervene more actively to promote exchange studies and convergence of social and economic policies. Some non-governmental organizations (NGOs) had developed interesting and successful studies and experiences. Even if they were able to exercise some pressure, they could not

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replace governments, but should be encouraged to work together with governments to promote Decent Work ideas in public opinion at both the national and international levels.

- 138.** The Government member of Norway, speaking on behalf of the Nordic group, aligned himself with the EU statement. Globalization had led to unprecedented economic output, alleviation of poverty and interdependence among nations and, increasingly, among international organizations. The ILO did not have all the tools to deal with the social dimension of globalization. Closer ILO cooperation with other relevant institutions, such as those in the UN system, the World Bank, IMF and WTO, was necessary to help developing countries design and implement strategies for Decent Work in a globalized economy. Employment and other social issues were referred to in the funding documents of other international organizations. Though their mandates were different from the ILO's, closer collaboration with ILO was relevant to them. Box 4.1 provided a good example of how organizations with different mandates could collaborate. The Nordic countries welcomed the recent cooperation between the ILO and the WTO, as well as the agreed common plan of action between the ILO and UNDP to strengthen collaboration at the policy and operational levels. Better cooperation should be established with organizations, inside and outside of the UN family, to achieve greater policy coherence in the multilateral system and at country level. Most ILO member States were part of the WTO, UN and other organizations in the multilateral system. They should all be more consistent in ensuring that commitments made in one organization were not forgotten in others. That was important in order to reach the "One UN" objective and was part of good governance. The speaker closed by observing that, in the experience of Nordic countries, greater coherence could help to ensure that labour and social policy had a positive effect on both employment and growth. The Nordic countries had succeeded in maximizing productivity, competitiveness and growth while also achieving full employment, fair distribution and social cohesion, thanks to their constant emphasis on coherence between labour and social policies and economic policies.
- 139.** The Government member of Belgium supported the EU statement. She agreed that seeking new partnerships was an obvious necessity for the ILO with its limited means and ambitious objectives. Promotion of new partnerships did not mean undermining tripartism, but rather taking advantage of opportunities to finance the ILO's agenda. The promotion of sustainable partnerships should be envisaged both from the point of view of the partners with whom ILO would work as well as the platform, common themes and roles that each organization would assume. First, the ILO should work with the social partners in a spirit of tripartism. That should be applicable at three levels: at the national level during the design, execution, and assessment of policies; at the level of the member States that were donors; and finally in the ILO itself. Surprisingly, the report was silent about the coordinated contribution of ACT/EMP and ACTRAV in ILO internal collaboration. The speaker suggested that greater importance be attached to the MNE Declaration in order to provide a framework for collaboration with MNEs. The Government of Belgium had proposed re-examining the system of follow-up to that Declaration after the International forum on the occasion of the 30th anniversary of the MNE Declaration, to be held in November 2007. The ILO should remain present and active in the various discussions on CSR, particularly in the light of requests for assistance in capacity building for national institutions and social partners.
- 140.** The Government member of Switzerland pointed out that the concept of Decent Work was recognized by various IGOs, such as ECOSOC, as a vital element of the struggle against poverty. The Ministerial Declaration of 2006 called on all relevant international organizations to contribute through their respective programmes, policies and activities to the objectives of Decent Work in accordance with national development strategies. The report rightly mentioned the need for coordination with other actors in the international system, but without making explicit how that coordination would function in practice. In

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that regard, the speaker drew the Committee's attention to the draft report of the ECOSOC Coordination Segment entitled "The role of the UN system in promoting full and productive employment and Decent Work for all", which contained interesting elements for reflection, in particular, the inclusion of the concept of Decent Work in coordination mechanisms of the UN system, such as the UNDAF. In conclusion, he expressed support for the EU statement regarding the "One UN".

- 141.** The Government member of the Philippines welcomed the initiative to plan improvements in the quality of the ILO's assistance to its tripartite constituents, as well as strengthening the ILO's institutional capacity. She considered it important to have a more coherent framework for DWCPs, welcomed country studies as a means of exchanging information and experiences between countries and expressed the hope that the Committee might agree on what practical first steps could be taken. An integrated approach should be promoted and encouraged.
- 142.** The Government member of Jamaica, speaking on behalf of Governments of Member States of CARICOM, pointed out that one important need in the CARICOM countries was for ministries of labour to have a higher profile and impact on key national and regional issues such as trade and market access, foreign direct investment, increased practice of CSR by business enterprises, the establishment and use of labour market information, and harmonization of labour laws in the context of free movement of people. Regarding strategies for partnerships aimed at increasing the ILO's impact, the ILO should work with international financial institutions, such as the IMF and World Bank, to achieve a more balanced and integrated approach to social and economic development in their projects and financial assistance programmes. The ILO should also work at the national and regional levels with tripartite partners to conduct specialized forums on the abovementioned issues. The use of social dialogue and research, carried out in partnership with the multilateral agencies and academia, was important.
- 143.** The Government member of Namibia strongly supported the statement made on behalf of the Africa group. She focused her remarks on the new demands placed on labour ministries to mainstream employment creation and to integrate economic and social policies. Namibia belongs to various international and regional organizations and that gives rise to reporting requirements, for example, under the Ouagadougou Plan of Action of the African Union, or the harmonization of labour legislation and adoption of a Code on Social Security by the Southern African Development Community. Obligations to implement and report on such commitments should be viewed as complementary to the ILO's integrated approach to the practical implementation of the objectives of the Decent Work Agenda. To assist its tripartite constituents in the design of DWCPs and to succeed in the implementation of the proposed reforms in the governance structure, the ILO must be in a position to provide useful policy analysis and practical advice to Members based on an understanding of the overlaps and complementarities of the objectives and programmes of the ILO and of the regional economic communities. The proposals to promote convergence on common economic and social objectives with other multilateral organizations at the global level mirrored the situation "on the ground" in many member States, where conflicting or competing policies formulated at the national level at times threatened to marginalize the social component in national policies. Just as the ILO was seeking convergence with other institutions on common objectives, it should devise the means of assisting ministries of labour to work for similar objectives at national level. At global, regional and local levels, tripartism should be used as an important vehicle for promoting convergence.
- 144.** The acting Executive Director of the Social Dialogue Sector shared with the Committee her observations regarding the place of social dialogue in a fast-changing world. The pace of economic liberalization and the opening of borders were leading to a weakening of the

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State, which raised serious issues of governance and social cohesion. Small and medium-sized enterprises were exposed to competition from much stronger players than in the past. Large companies – easily able to work in a borderless world – were taking over the regulatory role of States. Workers were hard put to keep up with constantly rising skill requirements, which made lifelong learning a basic condition for employment. The ILO needed to respond to those changes in a manner that emphasized the social dimension of economic progress, but it could not do that unless its unique institutional character, its tripartism, was called fully into play. Tripartism required three strong, independent representative parties, the ministries of labour and the social partners to be engaged in ongoing dialogue, and was the reason for the ILO's support in strengthening labour administrations and the social partners. Dialogue was an objective worth pursuing in its own right, since without dialogue there could be no social peace, and in the end, no peace at all. But for social dialogue to function in an ongoing manner, structures were needed, be it at the enterprise, state, subregional or regional levels. Social dialogue structures were involved, for example, in consultation and consensus building with regard to the adoption of new regulations. Without such consultative processes, non-implementation would likely result. An open attitude, which allowed the tripartite partners to recognize their common objectives, despite divergent interests, could prevent conflict from arising or contribute to settling disputes. In that sense, social dialogue could be a comparative advantage for countries, yet perhaps only a minority of countries had regularly functioning tripartite structures. ILO work on regional integration had demonstrated the importance of having social dialogue structures functioning at the national level as a foundation for regional dialogue. The speaker concluded her presentation by urging Committee members to recognize the strength that could be derived from tripartism and social dialogue and their essential role in the sustainability of employment and social protection policies.

- 145.** The Director of the Employment Policy Department, in response to questions raised by the Committee, provided further information on the employment and Decent Work target related to MDG 1 and the relationship of DWCPs to other development frameworks. Regarding the MDG target, she explained that the ILO, through the Inter-Agency and Expert Group on MDG Indicators, had submitted to the UN Secretary-General a proposed further target under MDG 1 on making the goals of full and productive employment and Decent Work for all, including for women and young people, a central objective of relevant national and international policies and national development strategies. An initial set of statistical indicators relating to that target was being developed, including the employment-to-population ratio (disaggregated by age and sex), labour productivity growth rates, working poor and vulnerable employment (status) by sex, for which the ILO would provide the analysis and data sets. With regard to the articulation between DWCPs and other development frameworks, the speaker referred the Committee to document GB.298/ESP/5 (March 2007), which examined PRSPs in 70 countries. PRSPs in 35 of those countries had integrated Decent Work objectives to some degree and of those 17 had or were developing a DWCP. In all those, bridges were built between the national frameworks including DWCP, PRS and UNDAF. The ILO experience with the PRSP process concluded that tripartite action and mobilization were essential for shaping PRSPs with a Decent Work dimension. Capacity building of ministries of labour and the social partners were essential to enable them to have a stronger and more proactive role in the PRSP process, and to achieve greater coherence and integration across Decent Work policy priorities set through the process. With regard to the “Delivering as One” process at the country level, the ILO had actively started to engage in all pilot countries through the DWCPs. In April 2007, the UNDP and the ILO jointly organized an Executive Workshop on Mainstreaming Decent Work in United Nations Country Programmes, attended by the Resident Coordinators on “One UN” pilot countries. The Office had also set up a task force to provide guidance and support to field offices and to monitor progress. Integrating the Decent Work Agenda into national policy frameworks and active engagement in the multiple country-level processes were demanding tasks that necessitated strengthening the

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capacity of the constituents and the Office. The extent of coherence and integration across the cascade of policy frameworks depended also on the depth of national ownership, the quality and scope of the participatory processes and the support provided by all development actors to this objective, the UN system, the international financial institutions and bilateral donors alike.

- 146.** The Government member of the United Kingdom asked how his Government could become involved in developing the Decent Work indicators. His Government was concerned that the ILO was developing monitoring mechanisms for the DWCPs in parallel to those used in the wider UN system, rather than coordinating and harmonizing those mechanisms.
- 147.** The Director of the Employment Policy Department welcomed the cooperation and noted that the indicators for MDG 1 were being developed by the ILO's Key Indicators of the Labour Market (KILM) Programme. While every development framework, including the PRSPs, had its own monitoring framework, some did not include indicators sufficiently related to the Decent Work Agenda. Moreover, PRSPs were aimed only at countries concerned by the Heavily Indebted Poor Countries (HIPC) Initiative. The "One UN" initiative should ensure coordination between monitoring mechanisms. Some good examples of coherence between frameworks had been emerging in some countries, which would be disseminated as models of best practice.
- 148.** The Government member of Ghana requested clarification as to whether the new MDG Decent Work indicator would subsume all existing mechanisms and indicators. If so, such a global mechanism would risk losing sight of country specificities, since some PRSP indicators were relevant to individual countries only. He also requested advice from the Office on how to ensure that sufficient focus was placed on labour and employment issues in PRSPs.
- 149.** The Director of the Employment Policy Department said that PRSP monitoring mechanisms were defined at country level, whereas the MDG indicators referred to earlier were at the global level. Many countries had yet to put in place effective monitoring systems due to weak statistical capability. Without baseline data and regular data generation, it was impossible to measure progress. Efforts were being made to build capacity in that regard. As for effective approaches to integrate Decent Work into PRSPs, the ESP Committee would discuss the matter in greater detail in November 2007. At the national level, PRSPs were reviewed periodically and the tripartite constituents needed to ensure that their priorities on labour and employment issues were reflected in the review process.
- 150.** The representative of the Secretary-General, turning to previous questions about the ILO's relationship with the ISO, said that the ILO was participating on a liaison-status basis in ISO committees on occupational safety and health and in developing a biometric seafarers' identity document, in line with the provisions of the Seafarers' Identity Documents Convention (Revised), 2003 (No. 185). The ILO also had a memorandum of understanding with the ISO on CSR, and the possibility of developing an ISO standard on that issue was under consideration. Given that level of cooperation, the basis for developing such standards would not deviate from consensus that had already been reached in the ILO.
- 151.** The Employer members thanked the acting Executive Director of the Social Dialogue Sector and the Director of the Employment Policy Department for their presentations, which had also shed light on issues raised during the discussion of the previous chapters. They noted that there had been agreement on a number of issues during the discussion. The ILO should focus on its core mandate and develop excellence in that regard. The ILO should not change its mandate and call for reform in other organizations. There also

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appeared to be agreement that policy coherence could help the performance of the multilateral system. However, no organization could claim primacy for its own mandate or policies. The Decent Work Agenda should play an important part in policy coherence in response to priorities fixed by constituents; in this regard, they endorsed the Africa group's call for productivity improvement. Working with the UNDP on UN reform was also important, but it was premature to endorse any specific reform formula, as the role of the social partners was not yet clear. In that respect, they supported the Africa group's call for capacity building of the constituents. They agreed with the Government members of Australia and the United States that the ILO should not monitor trade agreements. As to whether the ILO should have a role, if specifically asked to by the States parties to a trade agreement, would require further discussion. They noted that the question of how to reconcile the debate on Chapters 2 and 3, with regard to capacity challenges faced by the ILO and its desire to project influence in the multilateral system, appeared unresolved. Nonetheless, there appeared to be consensus that collaboration and cooperation among international organizations were important.

- 152.** The Worker members noted that Chapter 4 had given the Committee the opportunity to reflect on who the ILO partners were, how the work should be structured, and whether the ILO should remain silent in such relationships or express its views. It had also given consideration to what those views should reflect, and as to whether the ILO should yield its sphere of excellence to other organizations and, if so, as to whether this meant surrendering influence or sharing responsibilities. There appeared to be a clear consensus to work with the multilateral institutions, especially the UN family. There also seemed to be agreement that the ILO should seek coherence in the multilateral system. At the same time, it should remain free to express opinions in the context of partnerships, in particular on matters concerning the world of work, as well as on social concerns and social well-being. For those who wished to remain faithful to the principles of the Singapore Ministerial Declaration, the ILO would need to strengthen tripartite involvement in relevant areas. The ILO should thus be seeking to deal with similar issues as part of its follow-up to the World Commission on the Social Dimension of Globalization. Everyone wanted the same thing, but it was difficult to know how to achieve it. The Workers' group agreed that employment was a major area for concern, but that it should not be seen as employment first, decent employment second. They recalled that the GEA called for the ILO to deal with trade liberalization, and the importance of policy coherence in that regard. The discussions on Chapter 4 had also appeared to yield agreement that the ILO should not try to pre-empt other agencies. Rather, it should try to place employment at the heart of economic and social policy as, through such an alliance, it could have an impact on policy stances. For example, trade had an effect on employment, so it was appropriate for the ILO to analyse the effects of trade policies. That was true of any area that lay within the mandate of the ILO, whether stated in the Constitution, in the Declaration of Philadelphia or in the strategic objectives. For example, if the ILO went into partnership with an institution that dealt with financial matters in countries, the fact that finance had a direct impact on workers would require the ILO to ensure that Decent Work was ensured in its collaboration with that institution. The primacy of the ILO mandate should govern its work and interaction with other agencies and multilaterals. While there were matters raised in the Committee which required further discussion, there were also areas of convergence, and those should provide an opportunity for a way forward.

## **Chapter 5 Moving forward**

- 153.** The Special Adviser to the Committee made a brief presentation of Chapter 5 and added some comments in reaction to the discussion of the earlier chapters. The idea of an authoritative document had been present from the moment the Governing Body had placed the item on the Conference agenda. The reason for that could be found in the paradox

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captured in paragraph 143 of the report: while the Decent Work concept was widely supported in the texts of other organizations, in ILO programme and budget proposals and in Reports of the Director-General, Decent Work had not been discussed in a framework that would allow the Conference to formally express the views of the ILO as an Organization. The outcomes of the general discussion would not be restricted to an authoritative document. For example, the proposal of cyclical reports could be decided upon by the Governing Body. While no authoritative document would be adopted at the present session, that could be a matter for a future session of the Conference. An authoritative document would clearly add value for three reasons. First, it would allow the ILO to consolidate the Decent Work concept through a formal ILC discussion. Second, it could be used to promote an integrated approach to the four strategic objectives in the member States at the national level, as implied by the Decent Work concept. Finally, an authoritative document could reinforce the status of the ILO and tripartism within the framework of UN reform, and clarify and consolidate decent work in relation to MDG and PRSP activities. As regarded the possible content of the authoritative document, the Special Adviser drew attention to Appendix I of the report which elaborated on three main aspects. First, an authoritative document could renew commitment to the ILO's objectives, as articulated in the Declaration of Philadelphia and encapsulated in the Decent Work approach, through tripartite social dialogue. Second, it could promote greater efficiency in the pursuit of the ILO's strategic objectives through an integrated approach. Third, it could define the elements relevant to an integrated approach, such as interdependence, autonomy and solidarity, involvement of tripartite constituents, non-interference in member States' autonomy, and the relative weight of each of the four strategic objectives in the policy mix. As regarded the possible form and legal status of an authoritative document, at the present stage the option of a binding document such as a Convention did not seem consistent with the trend of the discussions and the objectives of promoting an integrated approach on a universal basis, but two main non-binding options remained for the Committee's consideration: either a normative instrument, such as a Recommendation, or a declaratory one, such as a Declaration. There was no radical difference in the potential impact of those two options as they both allowed for what seemed to be an essential requirement – a follow-up mechanism. The difference was in the procedural path to attain them: the normative solution was more complex and implied a certain number of Standing Orders requirements, such as time limits and questionnaires, while a Declaration was simpler and required fewer formalities. If sufficient consensus were reached by the Committee to consider the option of a Declaration, it would be necessary to instruct the Governing Body to consider placing such an item on the agenda of a future Conference. That could be discussed at the Governing Body in November 2007.

- 154.** The Worker members were struck by the convergence of thinking on many issues by the Workers' group, the Employers' group and a significant number of Government members. The Workers' group was convinced of the desirability of an authoritative document that would have the goals of consolidating the status of Decent Work in a globalized world and having impact on the reform of the UN system. Such an authoritative document could not be adopted in 2007, as further discussions and consultations were needed, but the Worker members expressed the hope that the Committee would recommend to the Governing Body that discussions be pursued with a view to the adoption of a Recommendation or a Declaration in 2008. The discussion was not a review of the ILO's goals as expressed in its Constitution, the Declaration of Philadelphia and the four strategic objectives of Decent Work, which were accepted as the foundation of the ILO, but on how to achieve those goals most effectively. The concept of Decent Work was endorsed as the framework for ILO work, and the four strategic objectives should be implemented as a coherent whole. There was common acceptance of the need seriously to upgrade and improve research and analytical capacity in order to make the ILO a centre of excellence in its field of competence. Partnerships with other multilateral institutions were vital for achieving the ILO's goals. Decent Work should be the focus and cross-cutting objective for such

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partnerships. Tripartism, freedom of association and collective bargaining remained crucial and should be strengthened. More interaction between the social partners was suggested in relation to the MNE Declaration and industrial relations in the context of globalization. Country-level work needed to be strengthened. The content and experience of implementing the GEA were highlighted as a useful basis for matters such as peer reviews and the ambit of partnerships, as well as the response to globalization. The Committee had also agreed on the need to further discuss and develop possible modalities to give effect to the broad emerging framework and to avoid any unnecessary additional reporting burden on ILO constituents as well as any overlap with, or any weakening of, the existing ILO supervisory system. Much progress had been made in the course of the Committee's deliberations on that important topic. The Worker members concluded by calling on the Committee to adopt conclusions identifying areas of broad consensus resulting from the current discussions and to invite the Governing Body to place the matter of an appropriate authoritative document on the ILC agenda for 2008.

- 155.** The Employer members observed that the Committee's discussions had already touched on many issues raised in Chapter 5. All participants had seen real value in the discussion on strengthening the ILO's capacity to help Members and improve the Organization's governance. Numerous questions had been raised; many remained unanswered. While some possible areas of convergence could emerge, there were large areas where it did not exist. That was not necessarily the result of strong disagreement, but rather a reflection of the reality of the debate and the fact that the report had different meanings for different participants. The Employers' group agreed that more information and discussion were needed in order for consensus on a final outcome to be possible. At the moment, there was no basis on which to explore an outcome in a meaningful way, since there was no clear consensus on what constituents wanted. It was, however, important to be clear on what was not wanted. The Employer members recalled four key elements in that regard. First, anything the Committee decided on must add value to the goal of strengthening the ILO's role in assisting its constituents, while preserving the content and status of the Declaration of Philadelphia and the 1998 Declaration. Second, while Decent Work was a valuable organizing concept, it could only be defined at the national level. Third, the Employer members did not want an outcome that could be used to expand the mandate of the ILO or increase its role in the multilateral system. Fourth, the Employer members did not want a Convention and they welcomed the acknowledgement by the Workers' group that that would not be an outcome. Some areas of convergence had also been identified. All constituents agreed that the ILO should be a centre of excellence on research and analysis of issues pertaining to the world of work. Integration of ILO activity and policy coherence within the Office and in its governance were important in helping to enhance the Organization's effectiveness for constituents. Tripartism needed strengthening at all levels of the Organization and in its work. A strong ILO that was focused on its mandate was important within the UN reform process. Finally, the focus should be on the impact of ILO policy and whether it helped improve conditions on the ground. The focus should be on lessons learned and on knowledge exchange, rather than on criticizing or ranking countries.
- 156.** The Government member of Mexico said that, before adopting an authoritative document, the Governing Body should examine the introduction of the system of cyclical reviews of trends and needs related to each of the strategic objectives before trying them out on an experimental basis. The Governing Body should also provide additional information on the effect of these proposals on general surveys, and specify whether such surveys would continue to be submitted to the Committee on the Application of Standards. On the issue of setting up committees other than the PFA Committee of the Governing Body to increase the efficiency with which the ILO discharged its constitutional mandate, the Office should first consider whether the issues concerned could be considered within the framework of existing committees. That would increase the Organization's budgetary efficiency and

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reduce the potential work overload. Turning to the proposal for a system of peer review of integrated Decent Work policy, the speaker proposed that the Governing Body launch a series of country studies based on the voluntary participation of the countries concerned, since the peer review system would require the adoption of a formal instrument. The Committee would have the opportunity to adopt conclusions and a resolution, which would enable the discussion to continue in the Governing Body and at the next ILC. It was too early to take a position on the form of an authoritative document, but any such document should take into account the tripartite nature of the ILO.

- 157.** The Government member of Nigeria, speaking on behalf of the Africa group, noted that the output envisaged from the Committee's discussion was the adoption of an authoritative document. The authoritative document had two connotations. One was to convey the consensus achieved with regard to specific actions and reforms. Second, there was the possibility of exploring other ways of making views known, including the possibility of standards. Whereas standard setting in the strict sense was not intended, a Declaration might be the preferred means of making the views of the Committee known. The report recommended a system of cyclical reviews of trends on a trial basis and as a way of streamlining the working methods of the Governing Body with respect to determining the Conference agenda. The Africa group supported this in principle, but felt that a more detailed examination of the methodology to be used needed to take place. General surveys would be of interest, if they focused on the objectives and sub-objectives of DWCPs. Article 7 of the Standing Orders of the Conference placed examination of general surveys under the purview of the Committee on the Application of Standards, but it might be worthwhile to review those legal provisions and perhaps set up another committee to examine surveys carried out under the cyclical review. The same principle should apply to other aspects of improved governance, for example the promotion of a more integrated implementation of the strategic objectives, which might need to be examined outside of the PFA Committee. The Africa group supported voluntary country studies and recognized the need to streamline the institutional framework and foster greater coherence in the development of DWCPs. The group also supported the consolidation of Decent Work within the ILO and in the context of UN reform. A Declaration would send the proper signal to the global community that the ILO was focused and willing to upgrade the technical capacities of constituents. The results of the Committee's work could be sent to the Governing Body for review and might result in a proposal for an upgraded outcome document, such as a Recommendation.
- 158.** The Government member of South Africa endorsed the statement of the Africa group. His Government favoured consideration of a Declaration with appropriate follow-up as a matter for the 2008 session of the ILC. A Declaration would allow for further debate and would acquire the value of a real constitutional practice, which would, in turn, acquire binding force on Members and lead to practical obligations. The Office should undertake further consultations with the constituents regarding modalities and prepare a draft text of a possible Declaration to be circulated to member States for consideration prior to the 2008 session of the ILC.
- 159.** The Government member of Zimbabwe expressed concern that the Office proposals would result in duplication of reporting and supervisory mechanisms, rather than a strengthening of Office capacity. A review of Office working methods both at the Committee and supervisory levels was called for. The speaker pointed to the Committee on the Application of Standards which over the years had focused on one or two ILO standards, namely the ones dealing with freedom of association and the right to collective bargaining, while overlooking those dealing with social security, occupational safety and health, unfair labour practices, or discrimination. His delegation supported the recommendations of the Africa group, as to the need to review and reform ILO working methods and the

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composition of the ILO's various organs, bodies and committees, especially the Committee on the Application of Standards, in line with the ongoing UN reforms.

- 160.** The Government member of France, speaking on behalf of the Government members of industrialized market economy countries (IMEC) (Australia, Austria, Belgium, Bulgaria, Canada, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Republic of Korea, Latvia, Lithuania, Luxembourg, Malta, Netherlands, New Zealand, Norway, Poland, Portugal, Romania, San Marino, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, United Kingdom, United States), agreed that institutional reforms were desirable. The Committee discussions constituted an exploratory debate, the purpose of which was set out a clear path, based on wide consensus, for further development by the Governing Body or any group charged by the Governing Body to take the work forward. The outcome of the discussions should take the form of operational and proactive conclusions, including agreement on the follow-up process, leading to a second and possibly final discussion at the ILC in 2008. Intersessional meetings to develop further views on possible reforms were needed, but should not minimize the central role of the Governing Body in the process. The IMEC group recognized the opportunity to affirm the importance of the Decent Work concept and did not exclude the possibility of an authoritative document, but felt that it was premature at the present stage for the Committee to express a preference regarding the outcome.
- 161.** The Government member of New Zealand endorsed the IMEC group's statement. While noting areas of broad agreement regarding ways in which the ILO could become more effective, more detailed work was required in other areas, such as the field structure review, which would need to be incorporated into any consideration of improving operational efficiency. The Committee's conclusions should identify areas of consensus for further development by the Governing Body as well as areas where no consensus was possible. The speaker expressed his Government's support for further discussion on the commitment of the ILO to the principles of Decent Work at the 2008 session of the ILC. Progress was urgently needed with regard to improving the ILO's institutional and functional capacity to deliver the Decent Work Agenda, without which any authoritative document would deliver an empty message. His delegation would support further work towards a non-binding form of authoritative document, preferably a Declaration.
- 162.** The Government member of Germany, speaking on behalf of the Governments of Member States of the EU, expressed support for the IMEC group's statement. She noted that the main emphasis of the discussion had been on strengthening the ILO's capacity in both substance and procedure so as to turn the Decent Work Agenda into concrete action with which all ILO Members could identify and to which they could commit. There was a large consensus on the added value of strengthening vertical and horizontal governance through both an integrated approach to the Decent Work Agenda and the ILO's internal coherence. There was also broad agreement on the need for coherence at national, regional, international and multilateral levels. Further elaboration was needed of the proposed cyclical reviews and their relation to other reports in the context of the supervision of standards and standard setting, their relation to the Global Reports and their possible creation on the basis of already existing reports without imposing further reporting obligations on member States. Regarding country studies and peer reviews, there were questions about their voluntary basis, their added value and the methodologies or features on which they would be based. Organizational implications should be taken into account. The discussion had been fruitful, but was far from reaching final results or even a final outcome document. More time was needed to finalize the discussion, which was one of paramount importance. The speaker agreed that the present session of the ILC should set out the path for a well-structured discussion, based on wide consensus, which would allow the Governing Body, or a group charged by the Governing Body, to continue to make progress on the issue, including through intersessional meetings. She supported the IMEC

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group's position that the outcome of the discussion should take the form of operational and proactive conclusions, including agreement on the follow-up process for a second and possibly final discussion at the ILC in 2008. As the ILO was facing new challenges related to the world of work and based on a rapidly intensifying globalization, all efforts had to be made so as to strengthen its capacity. The Committee's conclusions should therefore cover several elements, including the following: pursuing institutional reforms and addressing management processes such as the field structure review, results based management and a review of the programming cycle; strengthening the ILO's internal, vertical and horizontal governance through an integrated approach; promoting a coherent and integrated approach to the four strategic objectives and solidarity among all ILO Members when implementing the Decent Work Agenda at the country level, ensuring country ownership and active participation of the social partners; strengthening the supervisory mechanism while establishing other possible review schemes; further elaborating options, mechanisms and features of additional review schemes, whether they would be applicable to all Members on a voluntary basis, or whether the Office would create such reviews from already existing reports; ensuring a prominent role for social dialogue; building on existing and establishing strong partnerships with multilateral organizations, regional organizations, countries and non-state actors; integrating UN reform and "One UN" when promoting the Decent Work Agenda and DWCPs; and moving from advocacy to concrete impact. She did not exclude the possibility of an authoritative document.

**163.** The Government member of Lebanon said that, since no consensus had yet been reached on the issue of an authoritative document, it was too soon to give a position on outcomes. Several questions remained unanswered, such as whether the committee charged with examining cyclical reviews proposed in the report would be an ad hoc or a standing committee, given the nature and duration of its work. It was also unclear whether such a committee's terms of reference would duplicate those of the Committee on the Application of Standards or other ILO bodies. On the issue of the toolkit for mainstreaming employment and Decent Work, established by the ILO for other agencies to assess their policies in the light of the Decent Work Agenda, the speaker asked whether UN bodies would have a supervisory system to ensure the realization of the Decent Work objectives. She also inquired whether other UN bodies would have the right and duty to be involved in monitoring the implementation and outcomes of the Decent Work Agenda and DWCPs at the ILO and national levels. The ILO should raise awareness of the Decent Work Agenda and its objectives by holding workshops and training courses at the international, regional and national levels, in conjunction with the relevant ministries. Turning to the outcome of the Committee's work, her Government proposed that constituents be consulted on the format of any further discussions on the theme and the implications of such discussions. If the Committee were to adopt concrete measures, her Government would favour a non-binding document. If a Recommendation were envisaged, the speaker asked what follow-up mechanisms would be put in place apart from those provided for in article 19(6) of the Constitution. In the meantime, general surveys should be maintained and continue to be submitted to the Committee on the Application of Standards. If a Declaration were envisaged, the legal implications would require thorough discussion.

**164.** The Government member of Finland, speaking on behalf of the Nordic group, endorsed the EU and IMEC group's statements. Due to the complexity and ambitious nature of the exercise, a clear sense of direction was needed, based on firm principles concerning the ILO's mission in the present environment of globalized work and new forms of international governance. An authoritative document should set out the baseline for the ILO's mission, against which procedures and guidelines could be established, supported and interpreted. An authoritative document was not merely a matter of reforms or of streamlining practices; it was also contingent upon the standing of the Organization's activities and message in the outside world. The continued work of the Committee would

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be compromised if the discussions did not lead to a consolidated authoritative document, possibly a Declaration, which would provide the Office with a clear sense of direction.

- 165.** The Government member of Belgium aligned her delegation with the EU and IMEC group's statements. The Committee's conclusions should be concise, precise and based on a wide consensus. They should provide the Governing Body with a clear mandate, which would enable it to consider the various suggestions and proposals made within the Committee. Her Government would be ready to take part in any intersessional meetings, but the terms of reference would need to be well defined and the financial implications of such meetings considered. The Committee's work should continue during the 2008 session of the ILC, with a view to finalization. The scope of any authoritative document would merit further discussion if the Committee were to conclude that such an approach would really strengthen coherence within the Office with regard to delivering on its objectives. Such a document could only take the form of a "soft" instrument, rather than a standard in the true sense of the term, taking into account the complexity and diversity of the institutional context in each country. The Committee had already reached consensus on a certain number of points on which the Governing Body could take action. Where there was a lesser degree of consensus, the Office could provide new proposals to the Governing Body with a view to a discussion at the 2008 session of the ILC. The Working Party on the Social Dimension of Globalization could serve as a platform for exchange and coordination with other international organizations. One of the most important follow-up measures would be to encourage member States to strive for greater policy coherence at the national level, as well in the coordination of their representation in different international organizations. In conclusion, the speaker stated that, without going into the question of an authoritative document, three follow-up measures were essential: strengthening the role of the Working Party on the Social Dimension of Globalization; publishing reports that clearly indicated the needs of member States as expressed to the Office through technical cooperation initiatives; and regional events or conferences which would enable the message to be adapted to the specific contexts of countries.
- 166.** The Government member of the United States endorsed the IMEC group's statement. Her delegation, along with the Employers' group, was not yet convinced that an authoritative document would have any added value. Any decisions should advance the goal of strengthening the capacity of the ILO to assist its member States. While there had been broad agreement on the need to improve both horizontal and vertical integration, options needed to be explored and developed by the Governing Body before the Committee could continue its deliberations. Reforms or enhancements were critical and the necessary work to advance these should not be lost in a rush to produce an authoritative document. The speaker questioned the notion that the status of Decent Work needed consolidation beyond that found in the Constitution, the Declaration of Philadelphia, the Declaration on Fundamental Principles and Rights at Work and the four strategic objectives. Debate on the Decent Work Agenda could end up diluting the ILO's very clear mandate and so weaken the Organization and its ability to serve its constituents. The Decent Work Agenda had been fully taken on board by the UN, as evidenced by references to it in the 2005 UN World Summit Outcome document and the Ministerial Declaration of the 2006 ECOSOC High-level Segment. The many references in the *Statements on Decent Work and the social dimension of globalization in multilateral bodies* document had also demonstrated this. The ILO needed to consolidate its role in the UN system by proving the value of its contribution. That would be done by ensuring that it had the capacity to respond to its Members' needs in the rapidly changing world of work.
- 167.** The Government member of the Syrian Arab Republic expressed support for an authoritative document in the form of a Declaration based on tripartite acceptance.

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- 168.** The Government member of the Netherlands supported the EU and IMEC group's statements. His delegation considered the Committee's work to be a first exploratory round of talks to delimit the debate and to agree on a follow-up process. The Conference had to provide a clear mandate and guidance for the Governing Body to explore and develop the subject further. Intersessional meetings should be considered with the balanced participation of constituents and regions. The seriousness of the topic warranted a serious and inclusive process. With regard to the possible outcome of a continued discussion in 2008, there appeared to be four options: conclusions, a resolution, a Declaration or a Recommendation. It was premature to express a preference. The form should follow function, as structure follows strategy. However, recognizing the opportunity to consolidate the status of Decent Work, his delegation would consider favourably a Declaration, which would safeguard the ILO's trademark of Decent Work.
- 169.** The Government member of Argentina, speaking on behalf of the Government members of the Committee, Argentina, Brazil and Uruguay, in their capacity as Member States of MERCOSUR, noted with some concern that the efforts necessary to strengthen capacity would require institutional coordination both within headquarters and in the field. Institutional integration was a question both of process and of substance. In that regard, she shared the concern of other speakers that integrated action to implement the various objectives would not be easy to achieve. The use of human, technical and financial resources would need to be optimized. Members would need to address the question of follow-up. With regard to cyclical reports, the speaker suggested that analysis could focus on one strategic objective at a time, but the other three would need to be taken into account, along with the regional and national contexts. Decent Work indicators would assist with that process and contribute to improved operational integration. The debate also represented a sharing of responsibilities, as had said the Government member of Brazil. Governments had a key role to play in strengthening capacity and ensuring a maximum benefit from globalization, as expressed in paragraphs 123 and 124 of the report. With regard to the results that might be expected from the work of the Committee, the speaker noted that elements from the Chairperson's summaries and the ensuing comments from constituents had all enriched the process of debate. Conclusions drawn from the present exchange of views, as well as a list of themes or questions, could be looked at by the Governing Body.
- 170.** The Government member of Indonesia underlined the significant role of the ILO in the world of work and the achievement of the Declaration of Philadelphia. The ILO vision and mission were voluntary, and change was in the nature of the Organization. The outcome of the current work should be non-binding. The speaker encouraged the ILO to improve its administrative and technical cooperation work at the country level. Reform of the ILO should be carried out in conjunction with UN reform, but not at the price of the mandate of the ILO.
- 171.** The representative of the Secretary-General affirmed that, should the Committee decide to continue the discussion, the Office would do all it could to facilitate inclusive intersessional consultations. While the Office had foreseen certain funds for informal consultation, the engagement of governments would have to be based on their own investments. Normally, Employer and Worker members would send small delegations while governments were represented through regional coordinators. Further consideration had to be given on how to proceed, keeping in mind that there would be another two Governing Body sessions before the next session of the Conference.
- 172.** The Legal Adviser clarified the relevant provisions in the Standing Orders applying to the different forms a possible authoritative document could take. A Recommendation dealt with in a single discussion would be subject to article 38. For a non-normative outcome, such as a possible Declaration, the time frame for a general discussion provided in

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article 11ter was for the Members to receive the Office report with a draft no later than two months prior to the Conference. She recalled that, for the 1998 Declaration, the item had been placed on the Conference agenda by the Governing Body in November 1997. That had been followed by a series of consultations, which had resulted in a document containing a preliminary draft text of the Declaration for the March 1998 session of the Governing Body. Following the Governing Body, the Office report with a draft text had been sent out in May 1998 for discussion at the June 1998 session of the ILC, where it had been adopted.

- 173.** The Employer members stressed that real reform was needed to strengthen the ILO's capacity otherwise the institution might be harmed. The ILO's success or failure was the success or failure of its constituents. Time was working against them. Governments, employers, workers and the Office all had a role to play in the future of the ILO. The Committee had identified shortfalls in the Office's capacity, which required an Office response. That was not only a resource issue, but clearly one of targeting as well. Consensus had not been achieved on all issues and further information was needed, but there was a need to build on the agreements reached so far. The report of the Committee's proceedings would thus be as important as any conclusions, as it would inform not only the Governing Body, but also the Office. The Office would need to act on this, and the Employer members would be looking out for evidence of such action. The Office should show a willingness to be governed; that was a part of good governance. There was some convergence of thought, but the time was not yet ripe to decide on the form of an outcome document. The matter needed more discussion and consultation. That view should be reflected in the conclusions.
- 174.** The Worker members observed that most Government members had clearly agreed to move the process forward. There was agreement to make a report to the Plenary, giving definite guidance to the Governing Body for its deliberations in November 2007. Government members had expressed willingness to recommend that the Governing Body place further consideration of the issues on the agenda of the 2008 session of the ILC. While not all Government members supported the idea of a Declaration, there was wide agreement that the discussion was too important to dismiss and a substantial majority of Governments, as well as the Workers' group, supported a Declaration. Given that convergence of views, the importance of the task and the urgency with which it needed to be addressed, the Workers' group called on the Committee to request the Governing Body to place the question of strengthening the ILO's capacity to assist its Members' efforts to reach its objectives in the context of globalization on the agenda of the 2008 session of the ILC. The Worker members also supported the holding of intersessional consultations to prepare the way for an outcome document, possibly in the form of a Declaration. The Worker members thanked all the members of the Committee for the good will with which they had carried out their work.

## **Adoption of the draft resolution and draft conclusions**

- 175.** Following its general discussion, the Committee considered its draft resolution and draft conclusions. The texts had been prepared by the Officers with the assistance of the secretariat on the basis of the views expressed during the Committee's deliberations and comments received during the consultation process. The Committee had before it the following four documents: a draft resolution concerning strengthening the ILO's capacity; draft conclusions on strengthening the ILO's capacity; a correction to paragraph 16 of the draft conclusions; and comments submitted by members of the Committee on the draft resolution and the draft conclusions.

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- 176.** The Chairperson observed that the adoption of a resolution and conclusions would represent the crowning moment of the Committee's work and thanked all Committee members for their contributions. The wording of the draft conclusions attempted to reflect those areas of convergence that had emerged from the Committee's deliberations and to do so in a manner to which everyone could agree. He proposed that the Committee review the text of the draft conclusions paragraph by paragraph, focusing their comments on substantive points. He also requested that Committee members submit to the secretariat any further suggestions of a purely editorial nature so that they might be taken into account. While the issue of the translation of the term "authoritative document" into Spanish was raised, no final decision was taken on the matter, which was left for further consideration.
- 177.** Paragraphs 1–4, 7, 9–14 and 17 were accepted as initially drafted. Some concerns were raised with regard to paragraphs 5, 6, 8, 15 and 16 as well as the relationship of paragraph 16 to the draft resolution.
- 178.** The Government member of France, speaking on behalf of the IMEC group, noted with satisfaction that most of the comments made by the IMEC group had been reflected in the draft conclusions, at least in spirit. Some additional efforts were needed, however, to achieve the fruitful outcome to which IMEC group members aspired. The proposed cyclical reviews were a sensitive issue and reference should be made to other possible review options as well. Governments were also sensitive to the issue of reporting, and did not wish to see an increase in their burden in that regard. The wording of paragraph 16 and the draft resolution should be properly aligned. The IMEC group offered their comments in a spirit of cooperation and in the hope that agreement would be reached on the draft conclusions.
- 179.** The Government member of Germany, speaking on behalf of the Governments of Member States of the EU, thanked the secretariat for its assistance in producing the text currently before the Committee. The speaker supported the comments made on behalf of the IMEC group and further elaborated on the reasons for which those suggestions had been put forward. With regard to paragraph 16, the Committee's discussions had not yet reached a point at which it would be appropriate to define the type of outcome that might ultimately emerge, but it was important to send a signal that the process should go further. If any reference were made to a possible Declaration in that paragraph, it would need to be reflected in a consistent manner in the draft resolution. The reference to cyclical reviews as initially drafted did not truly reflect the debate, since various Governments wished to consider other options further. The speaker also echoed the concerns of the IMEC group with regard to any additional reporting burden for member States.
- 180.** The Government member of the Syrian Arab Republic asked that greater clarity be provided with regard to any review schemes as it would not be useful to leave the matter vague.
- 181.** The Government member of South Africa questioned the use of the phrase "reporting burden". In his view, the word "burden" lent a negative connotation to an important task.
- 182.** In response, the Government member of the United States suggested that the Officers might consider "responsibility" as a useful alternative to "burden".
- 183.** The Government member of South Africa expressed the view that paragraph 15 should make explicit the possibility of the authoritative document taking the form of a Declaration, a view supported by the Government member of the Philippines, because a large proportion of the Committee's membership had supported this idea.

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- 184.** The Chairperson responded that paragraph 15 dealt with the general notion of an authoritative document whereas paragraph 16 tended towards more specific language. The Employer and Worker members agreed with this position.
- 185.** The Government member of Norway observed that, if a reference to a possible Declaration were to be included in paragraph 16, it would be logical for it to follow the reference to an authoritative document.
- 186.** No further concerns were expressed with regard to the draft conclusions. The Chairperson informed the Committee that all the suggestions put forward with regard to paragraphs 5, 6, 8, 15 and 16 would be considered by the Officers, following which revised proposals would be discussed by the Committee in full.
- 187.** The Committee subsequently accepted the Officers' proposed revisions to paragraphs 5, 6, 8, 15 and 16 of the draft conclusions, which were then accepted as revised. The resulting text of the conclusions as a whole was adopted by consensus.
- 188.** The Government member of the Netherlands, commenting on the reference in paragraph 17 and draft resolution paragraph 3(a) to intersessional consultations, stated that constituents needed to be "in the driving seat" with regard to the consultative process leading up to the 2008 session of the ILC. He proposed that an ad hoc open-ended working group be set up to continue the discussion. The proposal was supported by the Government members of Canada, Nigeria and Norway.
- 189.** The Committee then discussed the draft resolution. The title, preamble and paragraph 1 were accepted without discussion. The Committee agreed to a proposal by the Chairperson that paragraph 2(a) be revised by the Officers to harmonize it with paragraph 16 of the draft conclusions. Turning to paragraph 2(b), the Government member of New Zealand stated that his delegation had no problem with an authoritative document or the consideration of adopting a Declaration. However, the resolution should more concretely direct the Governing Body to work towards strengthening the ILO's capacity rather than simply to follow up on other relevant matters as provided in the accompanying conclusions. The Government members of Australia, Canada and the United States concurred that it was important to reflect the concerns raised in the discussion more concretely. With regard to paragraph 3 of the draft resolution, the Government member of the United States inquired as to whether it would be more appropriate for the resolution to request the Governing Body to be responsible for the specified actions in the paragraph, rather than the Director-General, as was stated in the text.
- 190.** The representative of the Legal Adviser explained that the first part of paragraph 3 was addressed to the Director-General due to the timing of the proposed consultations, which would need to be arranged prior to the November 2007 session of the Governing Body. The Director-General could give effect immediately to the Conference resolution while the Governing Body normally reviewed the last Conference resolutions in its November session each year. As to the second part of the paragraph, the original intent had been to provide for preparation of a report by the Director-General on the pre-November consultations. The current wording, which had been revised on the basis of comments received from Committee members, implied that the report was the one to be submitted to the Conference two months in advance. If the Committee considered it desirable to refer only to the Office report to the Conference and not to the pre-November consultations, it could be appropriate to address this part of the request to the Governing Body.
- 191.** The Government member of Australia stated that the report to the Conference in 2008, mentioned in paragraph 3(b), should, in addition to presenting elements of a draft text of any authoritative document for consideration, include other proposals that were specific

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and widely acceptable arising from discussions. That would avoid the impression that the discussions were only headed in the direction of an authoritative document.

- 192.** The Chairperson proposed to take those concerns into account with the Officers and to present a revised text to the Committee. The Committee agreed. The Committee then considered the revised draft text prepared by the Officers. Revised paragraph 2, in its entirety, and revised paragraph 3(a) were accepted. With regard to paragraph 3(b), the Government member of the United States suggested that the requirement that the report take due account of the views expressed during the present session of the Conference and any subsequent consultations be moved before the requirement that the report provide elements of a draft text of any authoritative document, so as to ensure that the critical issues related to improving the capacity of the Organization are considered fully in future discussions.
- 193.** The Worker members strongly disagreed with that proposal, as it would put the focus of the paragraph on the views that had been expressed instead of on the principal issue, which was strengthening the ILO's capacity.
- 194.** The Employer members also felt that it was important to keep the wording of the revised draft text. They suggested an editorial change that they felt addressed the concerns of the Government member of the United States but which would preserve the order of the paragraph. Paragraph 3(b) was then accepted as revised by the Employer members' suggestion.
- 195.** The Committee adopted the text of the draft resolution by consensus.
- 196.** A number of delegations congratulated the Chairperson for his excellent leadership in the Committee, which had led to positive outcome. The discussion had been rich, and the resulting draft resolution and conclusions reflected the views expressed during the discussion and demonstrated that tripartism worked. The Government member of New Zealand also thanked the Office staff for their support.
- 197.** The Chairperson thanked the Officers and delegates for their hard work and spirit of consensus, and the secretariat and staff for their hard work behind the scenes.

## **Adoption of the report**

- 198.** At its 14th and final sitting, the Committee examined the draft report and the draft resolution and conclusions. The Reporter presented the draft report, recalling that many Committee members had emphasized its importance as a tool for taking forward the work on strengthening the ILO's capacity. Efforts had therefore been made to capture the essence of every speaker's intervention in the report, rather than melding them by theme. He pointed out that in the preparation of the draft resolution and conclusions, no formal amendment process had been used. However, he assured the Committee that all views expressed during the discussion of the draft resolution and conclusions had been reflected in the final draft. The draft report was the result of tripartite engagement which had led to solid results. He thanked the Chairperson for his efficient leadership and the Office for the preparation of the draft report, which he recommended for adoption.
- 199.** Several members submitted amendments to paragraphs summarizing their statements.
- 200.** The Employer members pointed to paragraph 189 of the draft report, which noted that the Committee had agreed to revise paragraph 2(a) of the draft resolution to harmonize its wording with paragraph 16 of the draft conclusions. In view of this, they proposed to

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delete the words “considering proposals concerning” from paragraph 2(a) of the draft resolution, noting that the change would not alter the substance of the resolution. The Committee agreed to the revision.

- 201.** The Committee concluded by adopting its draft report and the draft resolution and conclusions on strengthening the ILO’s capacity.

## **Closing remarks**

- 202.** The Employer members thanked the Chairperson for his leadership which had allowed the Committee to reach a point from which they could now move forward. The adopted conclusions would help the Governing Body in its further work on the issue. They thanked the Reporter, the Worker members and the Government members who had all helped to achieve convergence. They also thanked the Office and the interpreters, and in particular the Special Adviser to the Committee for his work in guiding the Committee on this complex topic. Lastly, the Employer Vice-Chairperson thanked the Employer members for their support.
- 203.** The Worker members noted that the success of the Committee had been to take a complex topic and to arrive at a convergence of thinking. They thanked the Chairperson for his calm leadership, and the Employer members for their flexibility and imagination in building consensus. They thanked the Special Adviser for his help in facilitating understanding of this difficult topic, and expressed his appreciation to the Executive Directors and other staff members who had made themselves available to the Committee. The discussion had been marked by a true tripartite process in which Governments had been actively involved. They singled out the Africa group and the Governments of Member States of the EU for their contributions, but noted that there were many outstanding contributions from individual Governments. Finally, they wished to acknowledge the deputy representative of the Secretary-General, Mr Lee Swepston, who was participating in his last Conference before retirement. Mr Swepston had been a pillar of strength in the Office and had played an important role in many sessions of the Conference and in the world of international labour standards.
- 204.** The Government member of the Syrian Arab Republic thanked the Chairperson, the Committee members and the secretariat for their contribution to the discussion. He compared the ILO to a three-winged bird, which could not fly high if one wing were missing. All three wings had to be used together. That had to be kept in mind before taking further action on strengthening the ILO’s capacity and DWCPs.
- 205.** The Government member of Germany reaffirmed that there had been a good tripartite result in the Committee. All three partners had been equally valued in the discussion, and this was reflected in the draft resolution and conclusions. She thanked the Special Adviser for helping the Committee understand the report. Looking ahead, it was important to take the correct steps on tripartite consultations to ensure a common view. She thanked the deputy representative of the Secretary-General for his long contribution to the work of the ILO.
- 206.** The Government member of France, speaking on behalf of the IMEC group, stated that much remained to be done, but the Committee had taken the crucial step of keeping the doors open to many options. There were different approaches and opinions across the room but, due to the good will of the delegations, there was a degree of convergence. He thanked the Chairperson, the Reporter and the Office, and paid tribute to the Legal Adviser for the Conference report. He noted that the final paragraph of the Committee report was too

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modest and stressed that all Government groups had hailed the results of the Committee. That augured well for the future.

**207.** The Chairperson thanked the spokespersons of the Employer, Worker and Government groups and their colleagues. They had achieved something that showed that tripartism was alive and well. The Committee had made it clear that it had taken on the historical task of orienting the ILO's capacity to respond to the needs of its Members in the twenty-first century. They had worked towards convergence, if not consensus. They now needed to look to the future, which included the intersessional process and follow-up next year. He thanked the Office, the interpreters and the Reporter. He especially thanked the Special Adviser and the representative of the Secretary-General, and expressed his appreciation to the deputy representative of the Secretary-General for his work and his commitment to the Conference over many years.

**208.** The Committee's report, including the resolution and conclusions on strengthening the ILO's capacity, as adopted by the Committee, were submitted to the Conference for consideration.

Geneva, 13 June 2007.

*(Signed)* J.-J. Elmiger,  
Chairperson.

S. Kaasjager,  
Reporter.

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## Resolution concerning strengthening the ILO's capacity

The General Conference of the International Labour Organization, meeting in its 96th Session, 2007,

Having undertaken a general discussion on the basis of Report V, *Strengthening the ILO's capacity to assist its Members' efforts to reach its objectives in the context of globalization*,

1. Adopts the following conclusions;
2. Invites the Governing Body, taking into consideration the report of the Committee on Strengthening the ILO's Capacity, to:
  - (a) decide on placing an item on the agenda of the 97th Session of the Conference (2008), with a view to following up its discussion on strengthening the ILO's capacity, and the possible consideration of an authoritative document, possibly in the form of a Declaration or other suitable instrument, together with any appropriate follow-up, and the form they may take;
  - (b) take the appropriate measures to implement a programme of work to address the concerns of constituents, as expressed in the Committee, with regard to improving the capacity of the Organization to meet the needs of the constituents in the context of globalization;
  - (c) follow up on other relevant matters as provided in the following conclusions;
3. Requests the Director-General to:
  - (a) make arrangements to facilitate the widest consultations among the constituents, including intersessional consultations, the results of which should be considered by the Governing Body in defining the relevant item, in a manner that will provide the best possible chance of obtaining a consensus at the Conference;
  - (b) prepare, and make available at least two months before the opening of the 97th Session of the Conference (2008), a report to include the elements of a draft text of any authoritative document for consideration, and which takes due account of the views expressed during this session of the Conference, and any subsequent consultations.

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## Conclusions on strengthening the ILO's capacity

1. The Committee held a general discussion on the basis of Report V entitled *Strengthening the ILO's capacity to assist its Members' efforts to reach its objectives in the context of globalization*.
2. Without prejudice to the individual views expressed by Members, which are reflected in detail in its report, the Committee reached the following conclusions.
3. The Committee agreed that the renewed relevance in the context of intensifying globalization, of the ILO's objectives as set out in the Constitution and the Declaration of Philadelphia, complemented by the 1998 Declaration on Fundamental Principles and Rights at Work and reflected in the Decent Work Agenda, should be recognized and reaffirmed. It also agreed that in a constantly changing context tripartite dialogue among governments, and the representative organizations of employers and workers, should be acknowledged as a crucial means for the effective achievement of the strategic objectives at the national, regional and international levels.
4. While the proposals contained in Report V do not cover exhaustively all aspects of the item on the agenda, the Committee recognized that the emphasis on three main aspects of governance was relevant to the achievement of the objective of strengthening the ILO's capacity to assist its Members. It was understood that the organizational implications for the ILO and the Office's capacity had to be taken into account, including by the Governing Body. ILO management processes, such as the field structure review, results-based management and review of the programming cycle, are also clearly relevant in this context. In no case should the proposed reforms weaken the ILO's existing procedures, including those relating to standard setting and to the supervisory mechanisms.
5. First, as regards the possibility of introducing cyclical or other periodic reviews, it was generally acknowledged that these reviews could be a means of providing to constituents as well as to the general public a regularly updated review of trends and policies relating to the strategic objectives. Such reviews could also serve to strengthen the knowledge base and analytical capacity of the Office. Above all, tripartite discussion on an annual basis in the International Labour Conference, of further operational reports of this kind could help to develop a more direct link between the needs of the constituents, and facilitate the selection of priorities for future action, including standard setting. The review of these reports could allow for a systematic evaluation of the validity of such priorities and the impact of steps taken to implement them, based on feedback from constituents.
6. The possibility of carrying out these reports, their modalities and their review, as well as their link with general surveys under article 19 of the Constitution, should be the subject of a more detailed consideration in the Governing Body, to ensure that such a procedure, if adopted, would not overstretch the Office's capacities, or add to the reporting responsibilities of member States. The Committee noted that it could considerably simplify the selection of items by the Governing Body for the Conference agenda.
7. Second, as regards the question of promoting a more integrated approach to the strategic objectives within the Organization, among its constituents and in the work of the Office, there was a general convergence of views that the adoption of such an integrated approach was a necessity on account of the interdependence and the complementary nature of these objectives. It would also be fully in line with the very concept of Decent Work and consistent with the wide support the Decent Work Agenda had received within and outside the Organization.

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- 8.** Such an integrated approach would also play a key role in promoting coherence in the formulation of Decent Work Country Programmes (DWCPs), consistent with the particular needs and specificities of the countries concerned. The Governing Body may therefore wish to establish appropriate institutional arrangements to review the DWCPs, in order to achieve an appropriate balance, as well as at the national level, to achieve greater coherence among these programmes, to make them more effective and to have a greater link with and impact on programmes of other relevant United Nations (UN) and multilateral agencies. The experience gained through the DWCPs could also enrich cyclical or other periodic reviews.
  - 9.** Concrete examples of how an integrated approach can help in terms of social progress, sustainable development and the eradication of poverty will help to persuade all member States of the merits of such an approach. The Governing Body may therefore wish to examine how past and present experiences with regard to country studies could be used to build up a coherent framework for voluntary country studies, designed to promote the understanding of the interrelation between these objectives and the cross-fertilization of experiences and good practices. The possibility and modalities of a voluntary system of peer reviews and self-assessment should, if appropriate, be examined by the Governing Body.
  - 10.** The ILO must improve its knowledge, skills base, data-gathering and processing as well as analytical capacities in all areas, both at headquarters and in the regions. The ILO's research and policy development should be of the highest quality and should be tested against impact consistent with its objectives and delivery of the Decent Work Agenda. By these means, the ILO will enhance its efforts to become a global centre of excellence. The tripartite structure of the ILO gives it a unique comparative advantage and credibility in drawing lessons from its research and the results of country studies.
  - 11.** Strong constituents lie at the heart of effective ILO action. The ILO should increase its support in building the capacity of its constituents to ensure their ongoing ability to engage in the ILO objectives and the Decent Work Agenda, realize these goals in the context of globalization and meet the needs of their constituents.
  - 12.** Reference was made to the fact that the Global Employment Agenda adopted by the Governing Body with full support provides important guidance to the constituents and the Office for implementing the Decent Work Agenda.
  - 13.** Third, as regards partnerships for Decent Work with the actors dealt with in Chapter 4 of Report V, there was agreement that while ILO objectives and methods were more relevant than ever, account had to be taken of both the new context of globalization as well as the existence of such actors with increasing influence on this subject. It was recalled that the United Nations Economic and Social Council (ECOSOC) Ministerial Declaration of July 2006 agreed that Decent Work should be a cross-cutting objective of the UN system and other multilateral institutions. It was considered essential that the ILO's tripartite legitimacy should be used to promote greater awareness and understanding and to establish appropriate partnerships with these actors in support of the ILO's efforts to strengthen member States' institutional capacity to achieve the strategic objectives of Decent Work. The means by which such partnerships can be further developed and made more effective should be further explored by the Governing Body.
  - 14.** In the context of UN reform, and "Delivering as One", it was agreed that Members and the ILO should seek to ensure that the reform process strengthens the ILO and its tripartite identity and practices at all levels, and that its tripartite character should define the selection and manner of implementing ILO operations and activities. This should also

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apply in partnerships within the UN system and in promoting an integrated approach to programme delivery.

- 15.** There was a preliminary examination of whether the Organization should consider adopting an “authoritative document” reflecting the renewed commitment of its Members to the Organization’s objectives and tripartism, which could encourage them to pursue these objectives in an integrated manner consistent with the Decent Work Agenda, to which they have given their support.
- 16.** It was agreed that the Governing Body should consider placing an item on the agenda of the next session of the International Labour Conference (2008) to allow the continuation and conclusion of the discussions held at this session of the Conference, and the possible consideration of an authoritative document, possibly in the form of a Declaration or other suitable instrument, together with any appropriate follow-up, and the form they might take.
- 17.** For this purpose, appropriate arrangements should be made by the Office at the earliest opportunity to facilitate the widest consultations among the constituents, including intersessional consultations. This should allow the Governing Body to define the relevant item in a manner that will provide the best possible chance of obtaining a consensus on it at the Conference.

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