

## GLOSSARY - Decent Work in Global Supply Chains

TERM	DEFINITION	REFERENCE
Asymmetrical market relationship	Market relationship in which power asymmetries exist, e.g. where the buyer can negotiate/define prices and specify what, how, when, where and by whom the goods it sells are produced.	<ul style="list-style-type: none"> <li>W. Milberg and D. Winkler: Outsourcing economics: Global value chains in capitalist development (Cambridge University Press, 2013); G. Gereffi and M. Christian: "The impacts of Wal-Mart: The rise and consequences of the world's dominant retailer", in Annual Review of Sociology No. 35 (2009).</li> </ul>
Buyer-driven	Refers to supply chains in which producers are bound by the decisions of retailers and lead firms. Production is generally done by tiered contractors located in developing countries. These types of supply chains are more common in labour-intensive industries (e.g. garments, toys, consumer electronics). <b>See also:</b> Producer-driven.	<ul style="list-style-type: none"> <li>Gereffi, G. "The Organization of Buyer-Driven Global Commodity Chains: How U.S. Retailers Shape Overseas Production Networks". (Eds) G. Gereffi and M. Korzeniewicz, In Commodity Chains and Global Capitalism, Chapter: 5, Praeger Publishers, pp.95-122.</li> </ul>
Collective bargaining	The Collective Bargaining Convention, 1981 (No. 154) defines it as "all negotiations which take place between an employer, a group of employers or one or more employers' organisations, on the one hand, and one or more workers' organisations, on the other". Collective bargaining involves determining working conditions and terms of employment, as well as regulating relations between employers and workers.	<ul style="list-style-type: none"> <li>ILO Right to Organise and Collective Bargaining Convention, 1949 (No. 98).</li> <li>ILO Collective Bargaining Convention, 1981 (No. 154).</li> </ul>
Commoditization	"Commoditization" means that products of various producers become so similar from the buyers' point of view that competition converges solely on price. Because identical commodities have the same price and buyers tend not to prefer one seller over another, they can easily switch from one supplier to another. This creates fierce price competition and a high risk of failure for each individual producer. Global competition has accelerated and expanded this commoditization process.	<ul style="list-style-type: none"> <li>World Bank: Science, Technology, and Innovation: Capacity Building for Sustainable Growth and Poverty Reduction, Washington, 2008. Available at: <a href="http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2008/05/30/000334955_20080530030734/Rendered/PDF/439520PU08Box310only109780821373804.pdf">http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2008/05/30/000334955_20080530030734/Rendered/PDF/439520PU08Box310only109780821373804.pdf</a></li> </ul>
Corporate social responsibility (CSR)	Corporate social responsibility (CSR) is commonly a broad term for enterprises' voluntarily self-regulating initiatives to assess and take responsibility for the company's effects on environmental, economic and social wellbeing.	<ul style="list-style-type: none"> <li>M. Hopkins: Corporate social responsibility: an issues paper (Geneva, ILO, Working Paper No. 27, 2004).</li> <li>ILO: Disability and corporate social responsibility reporting: An analysis comparing reporting practices of 40 selected multinational enterprises, Conditions of Work and Equality Department (WORKQUALITY), Bureau for Employers' Activities (ACT/EMP), Geneva, 2014.</li> </ul>
Decent work	The term was first launched in the Report of the Director-General at the 1999 International Labour Conference (87 <sup>th</sup> Session). It is built on four pillars: employment creation, social protection, rights at work and social dialogue. These four elements compose the ILO's Decent Work Agenda.	<ul style="list-style-type: none"> <li>Ghai, D. "Decent work: Concept and indicators", in International Labour Review, Vol. 142 (2003), No. 2.</li> <li>"Decent Work", Report of the Director-General, ILC 87th Session Geneva, June 1999.</li> </ul>
Economic upgrading	Economic upgrading is the process through which enterprises and workers move from low-value to relatively high-value activities in global supply chains. It could include process, product, functional and chain upgrading. <ul style="list-style-type: none"> <li>Process upgrading involves changes in the production process with the objective of making it more efficient;</li> <li>Product upgrading occurs where more advanced product types are introduced, which often requires a more highly skilled workforce to make an item with enhanced features;</li> <li>Functional upgrading occurs when an enterprise increases its degree of vertical integration in the goods and services in a particular global supply chain;</li> <li>Chain upgrading occurs when an enterprise moves into new industries or product markets from a particular capability in a global supply chain.</li> </ul>	<ul style="list-style-type: none"> <li>G. Gereffi: "The global economy: organization, governance, and development", in N. Smelser and R. Swedberg (eds): The Handbook of Economic Sociology, Chapter 8 (Princeton University Press, 2005), p. 171.</li> </ul>
Employment relationship	The employment relationship is a legal notion widely used in countries around the world to refer to the relationship between a person called an "employee" (frequently referred to as a "worker") and an "employer" for whom the "employee" performs work under certain conditions in return for remuneration. It is through the employment relationship, however defined, that reciprocal rights and obligations are created between the employee and the employer.	<ul style="list-style-type: none"> <li>ILO: <i>The employment relationship</i>, International Labour Conference, 95th Session, Geneva, 2006.</li> </ul>
Export processing zones	Industrial zones with special incentives set up to attract foreign investors, in which imported materials undergo some degree of processing before being (re)exported again.	<ul style="list-style-type: none"> <li>ILO: Employment and social policy in respect of export processing zones (EPZs). International Labour Office, 286th Session, Geneva, 2003 (Geneva).</li> </ul>
Foreign direct investment (FDI)	Defined by the World Bank as "a category of cross-border investment associated with a resident in one economy having control or a significant degree of influence on the management of an enterprise that is resident in another economy".	<ul style="list-style-type: none"> <li>World Bank Helpdesk website. See : <a href="https://datahelpdesk.worldbank.org/knowledgebase/articles/114954-what-is-the-difference-between-foreign-direct-inve">https://datahelpdesk.worldbank.org/knowledgebase/articles/114954-what-is-the-difference-between-foreign-direct-inve</a></li> </ul>

TERM	DEFINITION	REFERENCE
Fragmentation of production	<p>The use of different suppliers in the production of a good or a service, which can be located in different geographical areas. The academic literature has shown evidence of an internationalization and dispersion of production and assembly across borders and plants over the past two decades, and a rise of the trade in intermediate goods.</p> <p><b>See also:</b> Offshoring.</p>	<ul style="list-style-type: none"> <li>Organisation for Economic Co-operation and Development (OECD). 2012. "Mapping Global Value Chains". The OECD Conference Centre, Paris. 4-5 December 2012. <a href="http://www.oecd.org/dac/aft/MappingGlobalValueChains_web_usb.pdf">http://www.oecd.org/dac/aft/MappingGlobalValueChains_web_usb.pdf</a></li> <li>G. Grossman and E. Rossi-Hansberg. "The Rise of Offshoring: It's not wine for cloth anymore" Paper presented at Federal Reserve Bank of Kansas City symposium, "The New Economic Geography: Effects and Policy Implications," Jackson Hole, Wyoming, August 24 -26. Available at: <a href="http://works.bepress.com/esteban_rossi_hansberg/16/">http://works.bepress.com/esteban_rossi_hansberg/16/</a> and <a href="https://www.princeton.edu/~erossi/RO.pdf">https://www.princeton.edu/~erossi/RO.pdf</a></li> <li>Foster, N., Stehrer, R., Timmer, M. 2013. "International fragmentation of production, trade and growth: Impacts and prospects for EU member states" Economic Paper 484. European Commission. <a href="http://ec.europa.eu/economy_finance/publications/economic_paper/2013/pdf/ecp484_en.pdf">http://ec.europa.eu/economy_finance/publications/economic_paper/2013/pdf/ecp484_en.pdf</a></li> <li>G. Gereffi and M. Korzeniewicz (eds): Commodity chains and global capitalism (Westport, CT, Praeger, 1994); and G. Gereffi: "Commodity chains and regional divisions of labor in East Asia", in Journal of Asian Business, Vol. 12, No. 1 (2013), pp. 75–112.</li> </ul>
Freedom of association	<p>The right to organize and form employers' and workers' organizations. The principle of freedom of association is included in the preamble of the ILO Constitution, and is at the core of the ILO's values.</p> <p><b>See also:</b> Collective bargaining, Decent work.</p>	<ul style="list-style-type: none"> <li>International Labour Organization (ILO), ILO Declaration on Fundamental Principles and Rights at Work, June 1988, available at: <a href="http://www.ilo.ch/dyn/normlex/en/f?p=1000:62:0::NO:62:P62_LIST_ENTRIE_ID:2453907:NO">http://www.ilo.ch/dyn/normlex/en/f?p=1000:62:0::NO:62:P62_LIST_ENTRIE_ID:2453907:NO</a> [accessed 5 April 2016].</li> <li>ILO Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87).</li> </ul>
Global production network	<p>A network of interconnected functions and operations by firms and non-firm institutions through which goods and services are produced and distributed. For the purpose of the ILC report, this concept is used synonymously with the term global supply chains.</p> <p><b>See also:</b> Global supply chains, Global value chains.</p>	<ul style="list-style-type: none"> <li>Henderson, Jeffrey, Peter Dicken, Martin Hess, Neil Coe, and Henry Wai-chung Yeung. 2002. "Global production networks and the analysis of economic development." Review of International Political Economy, 9(3): 436-464.</li> <li>Park, A., Nayyar, G., Low, P. 2013. Supply Chain Perspectives and Issues, A Literature review. Fung Global Institute and World Trade Organization. ISBN: 978-92-870-3893-7.</li> </ul>
Global supply chains	<p>The concept of global supply chains refers to the cross-border organization of the activities required to produce goods or services and bring them to consumers through inputs and various phases of development, production and delivery.</p> <p><b>See also:</b> Global production network, Global value chains.</p>	<ul style="list-style-type: none"> <li>ILO: <i>Decent work in global supply chains</i>, Report IV, International Labour Conference, 105th Session, Geneva, 2016, p. 1.</li> </ul>
Global value chains	<p>The fragmentation of production processes and the international dispersion of tasks and activities within them have led to the emergence of borderless production systems – which may be sequential chains or complex networks and which may be global, regional or span only two countries. These systems are commonly referred to as global value chains. For the purpose of the ILC report, this concept is used synonymously with the term global supply chains.</p> <p><b>See also:</b> Global production network, Global supply chains.</p>	<ul style="list-style-type: none"> <li>UNCTAD: <i>World Investment Report 2013: Global value chains: Investment and trade for development</i> (New York and Geneva, 2013).</li> </ul>
Governance gap	<p>The failure to enforce existing laws (or lack of laws) that directly or indirectly regulate business respect for human rights.</p> <p>Because the scope of labour legislation, regulation and jurisdiction which is at the national level, cross-border sourcing of goods and services creates difficulties in the achievement of workplace compliance. Regulatory structures are established and enforced by government authorities that may not have the resources or the expertise to monitor compliance in all or most workplaces. Not all governments have been able to cope with the rapid transformation brought about by exposure to the global economy, which has created governance gaps.</p>	<ul style="list-style-type: none"> <li>OHCHR: Guiding Principles on Business and Human Rights: Implementing the United Nations 'Protect, Respect and Remedy' Framework (New York and Geneva, 2011).</li> <li>ILO: <i>Decent work in global supply chains</i>, Report IV, International Labour Conference, 105th Session, Geneva, 2016.</li> </ul>
Higher-value activities	<p>When a firm or a country starts producing goods or services that generate more value added per employee. Value added refers to the amount by which the value of the good or service is increased at each stage of the supply chain (e.g. manufacture, distribution), exclusive of initial costs.</p>	<ul style="list-style-type: none"> <li>ILO: S. Barrientos. 2007. "Global Production Systems and Decent Work". Working Paper No. 77. International Labour Office (Geneva).</li> <li>ILO: J. Humphrey. 2004. "Upgrading in global value chains" Working Paper No. 28. International Labour Office (Geneva).</li> </ul>
Inclusive development	<p>Inclusive development entails multiple dimensions: (a) sustained and significant decline in both income and non-income dimensions of poverty; (b) sustained and significant decline in the proportion of those at risk of poverty; (c) significant progress towards full and productive employment at decent wages and working conditions; and (d) low and stable levels of inequality or a sustained and significant decline in inequality.</p> <p><b>See also:</b> Social development, Sustainable development, Inclusive economic growth.</p>	<ul style="list-style-type: none"> <li>I. Islam (ILO), A. Chowdhury (UN-ESCAP), The limits of conventional macroeconomics: Why one needs to focus on structural transformation and inclusive development, <a href="http://www.voxeu.org/debates/commentaries/limits-conventional-macroeconomics-why-one-needs-focus-structural-transformation-and-inclusive-development">http://www.voxeu.org/debates/commentaries/limits-conventional-macroeconomics-why-one-needs-focus-structural-transformation-and-inclusive-development</a> [accessed 4 April 2016].</li> </ul>
Inclusive economic growth	<p>This refers to the reduction of poverty and inequalities and the promotion of human development and well-being, by ensuring that all people can contribute to and receive from economic growth, especially the most marginalised. Goal 8 of the Sustainable Development Goals states as an objective: "Promote inclusive and sustainable economic growth, employment and decent work for all".</p> <p><b>See also:</b> Social development, Sustainable development, Inclusive development.</p>	<ul style="list-style-type: none"> <li>United Nations Development Programme (UNDP) 2010. "The Real Wealth of Nations: Pathways to Human Development" Human Development Report 2010.</li> <li>"What is 'inclusive growth'?", August 2014, Catholic Agency For Overseas Development (CAFOD) Discussion Paper.</li> <li>Sustainable Development Goals Website. See <a href="http://www.un.org/sustainabledevelopment/economic-growth/">http://www.un.org/sustainabledevelopment/economic-growth/</a></li> </ul>

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Informal economy	All economic activities by workers and economic units that are – in law or in practice – not covered or insufficiently covered by formal arrangements.	<ul style="list-style-type: none"> <li>• ILO website - <a href="http://www.ilo.org/global/topics/employment-promotion/informal-economy/lang--en/index.htm">http://www.ilo.org/global/topics/employment-promotion/informal-economy/lang--en/index.htm</a></li> <li>• ILC 2002 Resolution concerning decent work and the informal economy.</li> <li>• ILO 2002: Resolution Concerning Decent Work and the Informal Economy) (5th Conference Session, Geneva, 2002).</li> </ul>
Insourcing	The practice of using a company's own workforce and/or resources to accomplish a task, within its corporate system around the world). Insourcing can happen within the parent entity's home (onshore insourcing) or in a foreign subsidiary (offshore insourcing). See Figure 2.1 in the ILO Report on Decent work in global supply chains (Geneva, 2016). <b>See also:</b> Offshoring, Onshoring, Outsourcing.	<ul style="list-style-type: none"> <li>• M. Kotabe, M. Mol, J. Murray. 2011. <i>The Future of Global Business: A Reader</i> (eds) M. Czinkota, I. Ronkainen.</li> <li>• K. Bjerring Olsen. 2006. "Productivity Impacts of Offshoring and Outsourcing: A review" STI Working Paper 2006/1. OECD Directorate for Science, Technology and Industry (STI) (Paris, 2006).</li> <li>• L. Abramovsky and R. Griffith: "Outsourcing and offshoring of business services: How important is ICT?", in Journal of the European Economic Association (2006, Vol. 4, No. 2–3), p. 595.</li> </ul>
International labour standards	International labour standards are legal instruments drawn up by the ILO's constituents (governments, employers and workers) and setting out basic principles and rights at work. They are either conventions, which are legally binding international treaties that may be ratified by member states, or recommendations, which serve as non-binding guidelines.	<ul style="list-style-type: none"> <li>• ILO website. See: <a href="http://www.ilo.org/global/standards/introduction-to-international-labour-standards/international-labour-standards-creation/lang--en/index.htm">http://www.ilo.org/global/standards/introduction-to-international-labour-standards/international-labour-standards-creation/lang--en/index.htm</a></li> </ul>
International sourcing	The procurement process which consists in obtaining and coordinating products, services, technologies, processes and supplies on a global scale, from suppliers located abroad. <b>See also:</b> Lead firm.	<ul style="list-style-type: none"> <li>• Trent, Robert J; Monczka, Robert M. 2003. "Understanding intrgrated global sourcing" in <i>International Journal of Physical Distribution &amp; Logistics Management</i>. pp. 607-629.</li> <li>• Paul Scheffler. 2015. <i>Global Sourcing: performance and competition. How to benefit from an international scope</i>. Logos Verlag (Berlin, 2015).</li> </ul>
Labour regulations	National labour regulation is a mean to regulate employment and industrial relations, guaranteeing Decent Work and promoting the Rule of Law. The Office is committed under the ILO Constitution to provide advisory services to Member States in assessing, framing or revising their national labour laws.	<ul style="list-style-type: none"> <li>• ILO website. See: <a href="http://www.ilo.org/ifpdial/areas-of-work/labour-law/lang--en/index.htm">http://www.ilo.org/ifpdial/areas-of-work/labour-law/lang--en/index.htm</a></li> </ul>
Lead firm	The company that controls the global supply chain and sets the parameters with which other firms in the chain must comply, and is typically responsible for the final sale of the product. Academic literature has shown that they often represent the entry-point to developed country markets, through their global production network.	<ul style="list-style-type: none"> <li>• J. Humphrey and H. Schmitz: "Inter-firm relationships in global value chains: trends in chain governance and their policy implications", in <i>International Journal of Technological Learning, Innovation and Development</i> (2008, Vol. 1(3)), pp. 258–282.</li> <li>• John Humphrey and Hubert Schmitz 'The Value of Value Chains: Spreading the Gains from Globalisation' (2001) eds G. Gereffi and R. Kaplinsky, IDS Bulletin Volume 32 No 3.</li> <li>• W. Milberg and D. Winkler: <i>Outsourcing economics: Global value chains in capitalist development</i> (Cambridge University Press, 2013).</li> </ul>
Living wage	While there is no universally accepted definition of a living wage, the idea behind it is that workers and their families should at least be able to lead a simple but decent life considered acceptable by society, in light of its level of economic development. They should be able to live above the poverty line and be able to participate in social and cultural life.	<ul style="list-style-type: none"> <li>• R. Anker: Estimating a living wage: A methodological review (Geneva, ILO, 2011) in International Labour Office (ILO): Minimum wage systems, Report III (Part 1B), International Labour Conference, 103rd Session, Geneva, 2014.</li> <li>• ILO Constitution, 1919.</li> <li>• Declaration concerning the aims and purposes of the International Labour Organisation (Declaration of Philadelphia), 1944.</li> </ul>
Multi-stakeholder initiatives (MSIs)	Multi-stakeholder initiatives (MSIs) involve "private and non-governmental stakeholders in negotiating labor, health and safety, and environmental standards, monitoring compliance with these standards, and establishing mechanisms of certification and labeling that provide incentives for firms to meet these standards". For the purposes of the ILO Report on Decent work in global supply chains (Geneva, 2016) MSIs are an example of social governance.	<ul style="list-style-type: none"> <li>• D. O'Rourke: "Locally accountable good governance: Strengthening non-governmental systems of labor regulation", Global Economic Governance Working Paper 2005/16, p. 2.</li> </ul>
Non-standard forms of employment	Non-standard work refers to jobs that fall outside of the realm of standard work arrangements, including temporary or fixed-term contracts, temporary agency or dispatched work, dependent self-employment, as well as part-time work, including marginal part-time work, which is characterized by short, variable, and often unpredictable, hours. It can be both formal and informal.	<ul style="list-style-type: none"> <li>• Non-standard forms of employment, ILO, 2016, <a href="http://www.ilo.org/global/topics/employment-security/non-standard-employment/lang--en/index.htm">http://www.ilo.org/global/topics/employment-security/non-standard-employment/lang--en/index.htm</a> [accessed 5 April 2016].</li> </ul>
Offshoring	The use of goods and services outside of the enterprise in a foreign country. This transfer can happen abroad within the same group of company affiliates (the parent entity transfers activities to its foreign affiliates, also known as offshore in-house sourcing) or it can happen out of the group of company affiliates (the parent entity transfers activities to non-affiliated companies, also known as offshore outsourcing). See Figure 2.1 in the ILO Report on Decent work in global supply chains (Geneva, 2016). <b>See also:</b> Onshoring, Insourcing, Outsourcing.	<ul style="list-style-type: none"> <li>• Organisation for Economic Co-operation and Development (OECD). 2007. <i>Offshoring and Employment Trends and Impacts</i>. pp. 15 - 21.</li> <li>• L. Abramovsky and R. Griffith: "Outsourcing and offshoring of business services: How important is ICT?", in Journal of the European Economic Association (2006, Vol. 4, No. 2–3), p. 595.</li> </ul>

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Onshoring	It refers to the practice of relocating an operation from abroad to the domestic country of the lead firm., or if the operation is already located domestically, to a lower cost location inside the national borders of the lead firm. See Figure 2.1 in the ILO Report on Decent work in global supply chains (Geneva, 2016). <b>See also:</b> Offshoring, Insourcing, Outsourcing.	<ul style="list-style-type: none"> <li>• L. Abramovsky and R. Griffith: "Outsourcing and offshoring of business services: How important is ICT?", in Journal of the European Economic Association (2006, Vol. 4, No. 2–3), p. 595.</li> </ul>
Outsourcing	The practice of buying goods and services from outside suppliers, rather than producing them within a firm. Outsourcing can occur within the country where the enterprise is located (domestic outsourcing) or abroad (outsourcing abroad). See Figure 2.1 in the ILO Report on Decent work in global supply chains (Geneva, 2016). <b>See also:</b> Offshoring, Onshoring, Insourcing.	<ul style="list-style-type: none"> <li>• ILO Thesaurus.</li> <li>• Organisation for Economic Co-operation and Development (OECD). 2007. <i>Offshoring and Employment Trends and Impacts</i>. pp. 15 - 21.</li> <li>• L. Abramovsky and R. Griffith: "Outsourcing and offshoring of business services: How important is ICT?", in Journal of the European Economic Association (2006, Vol. 4, No. 2–3), p. 595.</li> </ul>
Piece-rate production	Refers to a labour practice by which workers are paid according to the number of pieces that they produce, regardless of time.	<ul style="list-style-type: none"> <li>• K. Fernandez-Stark, S. Frederick, G. Gereffi . "The Apparel global value chain: Economic upgrading and workforce development", (Center on Globalization, Governance &amp; Competitiveness, Duke University, 2011).</li> </ul>
Private compliance initiative (PCI)	Private compliance initiatives (PCIs) are private mechanisms voluntarily established by lead firms or groups of enterprises to monitor compliance with codes of conduct or other specific standards. They may include codes of conduct and social auditing, certification initiatives or other self-reporting mechanisms, such as the United Nations Global Compact.	<ul style="list-style-type: none"> <li>• ILO: <i>Labour inspection and private compliance initiatives: Trends and issues</i>, Background paper for the Meeting of Experts on Labour Inspection and the Role of Private Compliance Initiatives (Geneva, 10–12 December 2013).</li> </ul>
Producer-driven	Refers to supply chains in which lead firms have the most significant influence over the production process. One large, usually transnational, manufacturer plays the role of coordinator in the production network. <b>See also:</b> Buyer-driven.	<ul style="list-style-type: none"> <li>• Gereffi, G. "The Organization of Buyer-Driven Global Commodity Chains: How U.S. Retailers Shape Overseas Production Networks". (Eds) G. Gereffi and M. Korzeniewicz, In <i>Commodity Chains and Global Capitalism</i>, Chapter: 5, Praeger Publishers, pp.95-122.</li> </ul>
Redistributive tax	Redistribution, broadly defined as the use of tax and transfer policies to reduce income inequality.	<ul style="list-style-type: none"> <li>• M. Luebker: <i>Income inequality, redistribution and poverty: Contrasting rational choice and behavioural perspectives</i> (ILO Research Paper No.1, 2012).</li> </ul>
Skill premium	The ratio of the average hourly wage of highly skilled workers to that of low-skilled workers.	<ul style="list-style-type: none"> <li>• ILO: <i>World employment and social outlook 2015: The changing nature of jobs</i>, Geneva, 2015, p. 144.</li> </ul>
Small and medium-sized enterprises (SMEs)	Definitions of SMEs often vary by country and are usually based on the number of employees, the annual turnover or the value of assets of enterprises. Typically, microenterprises are defined as enterprises with up to ten employees, small enterprises as those that have 10 to 100 employees, and medium-sized enterprises as those with 100 to 250 employees.	<ul style="list-style-type: none"> <li>• International Labour Office (ILO). 2015. <i>Small and medium-sized enterprises and decent and productive employment creation</i>, Report IV, International Labour Conference, 104th Session, Geneva, 2015 (Geneva).</li> </ul>
Social development	One of the three pillars of sustainable development. Though there is no uniformly recognized definition of social development, it usually refers to the human well-being aspects of development and aims at creating a society with better living conditions. For instance, the World Summit for Social Development held in Copenhagen in 1995 pushed for social development goals based on poverty eradication, full employment support and promotion of social integration. <b>See also:</b> Sustainable development, Inclusive economic growth, Inclusive development.	<ul style="list-style-type: none"> <li>• United Nations Department of Economic and Social Affairs Division for Social Polity and Development (UNHQ). "Rethinking and Strengthening Social Development in the Contemporary World:Progress in Advancing Social Development and Lessons Learned" Expert Group Meeting (New York, 2014).</li> <li>• Organisation for Economic Co-operation and Development (OECD) 2013. "Measuring Well-Being for Development". Discussion Paper presented at the 2013 OECD Global Forum on Development.</li> </ul>
Social dialogue	Social dialogue is the term that describes the involvement of workers, employers and governments in decision-making on employment and workplace issues. It includes all types of negotiation, consultation and exchange of information among representatives of these groups on common interests in economic, labour and social policy.	<ul style="list-style-type: none"> <li>• ILO: <i>Social dialogue: Recurrent discussion under the ILO Declaration on Social Justice for a Fair Globalization</i> , Report VI, International Labour Conference, 102nd Session, Geneva, 2013, p. 15.</li> </ul>
Social governance	In the ILO Report on Decent work in global supply chains (Geneva, 2016) "social governance" describes the interaction between the social partners at the enterprise, sectoral, national or international levels. In social governance, unions, enterprises, employers' organizations and other civil society organizations engage in a process to define and implement joint governance schemes. Unlike private governance mechanisms, which are unilaterally adopted by enterprises, social governance requires negotiation between workers and the employer.	<ul style="list-style-type: none"> <li>• For the purposes of the ILO: <i>Decent work in global supply chains</i>, Report IV, International Labour Conference, 105th Session, Geneva, 2016, the definition of "social governance" has been adapted from that in: G. Gereffi and J. Lee: "Economic and social upgrading in global value chains and industrial clusters: Why governance matters", in <i>Journal of Business Ethics</i> , Vol. 133, No. 1, 2016, pp. 25-38.</li> </ul>

TERM	DEFINITION	REFERENCE
Social protection	Social protection is defined by the ILO as the set of public measures that a society provides for its members to protect them against economic and social distress that would be caused by the absence or a substantial reduction of income from work as a result of various contingencies (sickness, maternity, employment injury, unemployment, invalidity, old age, and death of the breadwinner); the provision of health care; and, the provision of benefits for families with children.	<ul style="list-style-type: none"> <li>• ILO: World Labour Report: Income security and social protection in a changing world (Geneva, 2000); ILO: Principles of Social Security (Geneva, 1998) in A. Bonilla García and J.V. Gruat: Social protection: A life cycle continuum investment for social justice, poverty reduction and sustainable development, November 2003.</li> </ul>
Social protection floor	Social protection floors are nationally-defined sets of basic social security guarantees which secure protection aimed at preventing or alleviating poverty, vulnerability and social exclusion. These guarantees should ensure at a minimum that, over the life cycle, all in need have access to essential health care and basic income security.	<ul style="list-style-type: none"> <li>• Social protection floor, ILO, Social Protection Department, 2016, <a href="http://www.ilo.org/secsoc/areas-of-work/policy-development-and-applied-research/social-protection-floor/lang--en/index.htm">http://www.ilo.org/secsoc/areas-of-work/policy-development-and-applied-research/social-protection-floor/lang--en/index.htm</a> [accessed 5 April 2016].</li> <li>• ILO Social Protection Floors Recommendation, 2012 (No. 202).</li> </ul>
Social upgrading	In the ILO Report on Decent work in global supply chains (Geneva, 2016), social upgrading is defined as the gradual process leading to decent work in global supply chains. The concept of social upgrading is aligned to the four “inseparable, interrelated and mutually supportive” strategic objectives of the ILO Decent Work Agenda: employment, social protection, social dialogue and rights at work, alongside gender equality and non-discrimination as cross-cutting objectives.	<ul style="list-style-type: none"> <li>• ILO: <i>Decent work in global supply chains</i>, Report IV, International Labour Conference, 105th Session, Geneva, 2016.</li> </ul>
Spillover effect	When an intervention has a larger impact than the original intended effect, or when it impacts a larger population than the population directly targeted.	<ul style="list-style-type: none"> <li>• M. Angelucci and V. Di Maro. 2010. "Program Evaluation and Spillover Effects: Impact-evaluation guidelines". Inter-American Development Bank. Available at <a href="http://dbdocs.iadb.org/wsdocs/getdocument.aspx?docnum=35173297">http://dbdocs.iadb.org/wsdocs/getdocument.aspx?docnum=35173297</a></li> </ul>
Subcontractor	A natural or legal person who undertakes by a contractual arrangement with a user enterprise to have work performed for that enterprise.	<ul style="list-style-type: none"> <li>• ILO: Contract Labour. Report V (2B). Fifth item on the agenda. International Labour Conference, 86th Session, Geneva, 1998.</li> </ul>
Subsistence agriculture	It is most often defined as farmers who ‘predominantly’ produce for their household’s own final use. It is characterized by low production and low capital endowment. The ILO categorizes it as informal employment.	<ul style="list-style-type: none"> <li>• F. Heidhues, M. Brüntrup. 2003. “Subsistence Agriculture in Development: Its role in processes of structural change” in S. Abele and K. Frohberg (eds), <i>Subsistence Agriculture in Central and Eastern Europe: How to Break the Vicious Circle?</i> Institute of Agricultural Development in Central and Eastern Europe IAMO Volume 22.</li> <li>• Institut Für Agrarentwicklung In Mittel - Und Osteuropa (IAMO). "Subsistence Agriculture in Central and Eastern Europe: How to Break the Vicious Circle?" in <i>Studies on the Agricultural and Food Sector in Central and Eastern Europe</i>. (eds) S. Abele and K. Frohberg. <a href="http://edoc.bibliothek.uni-halle.de/servlets/MCRFileNodeServlet/HALCoRe_derivate_00000947/sr_vo122.pdf">http://edoc.bibliothek.uni-halle.de/servlets/MCRFileNodeServlet/HALCoRe_derivate_00000947/sr_vo122.pdf</a></li> <li>• ILO: Decent work and the informal economy, Report VI. International Labour Conference, 90th Session, Geneva, 2002.</li> <li>• R. Hussman. 2004. "Measuring the informal economy: From employment in the informal sector to informal employment". Working Paper No. 53. International Labour Organization (2005, Geneva).</li> </ul>
Supply chain management	Supply chain management encompasses all the processes and planning coordinated by lead firms to influence and control the operations of their suppliers and subcontractors.	<ul style="list-style-type: none"> <li>• ILO: <i>Decent work in global supply chains</i>, Report IV, International Labour Conference, 105th Session, Geneva, 2016.</li> </ul>
Sustainable development	It has been defined in 1988 in the Brundtland Commission report as a form of development that “meets the needs of the present without compromising the ability of future generations to meet their own needs”. It is based on the three interconnected pillars of social, economic and environmental development. The 2030 Agenda for Sustainable Development includes 17 transformative objectives, known as Sustainable Development Goals (SDGs), which embrace all aspects of sustainable development. <b>See also:</b> Social development, Inclusive economic growth, Inclusive development.	<ul style="list-style-type: none"> <li>• Decent work for sustainable development ILC 96-2007/Report I (A) - <a href="http://www.ilo.org/public/english/standards/reim/ilc96/pdf/rep-i-a.pdf">http://www.ilo.org/public/english/standards/reim/ilc96/pdf/rep-i-a.pdf</a></li> <li>• Report of the World Commission on Environment and Development: Our Common Future <a href="http://www.un-documents.net/our-common-future.pdf">http://www.un-documents.net/our-common-future.pdf</a></li> <li>• The 2030 Agenda for Sustainable Development.</li> </ul>
Technology transfer	The transfer of know-how, production techniques and equipment from one country to another. It includes for instance building of complete factories and plants, the import of equipment and software, the financing of major industrialisation or infrastructural projects, or the provision of foreign experts.	<ul style="list-style-type: none"> <li>• ILO: Safety, health and working conditions in the transfer of technology to developing countries. 1998. International Labour Office (Geneva). Available at: <a href="http://www.ilo.org/wcmsp5/groups/public/@ed_protect/@protrav/@safework/documents/normativeinstrument/wcms_107831.pdf">http://www.ilo.org/wcmsp5/groups/public/@ed_protect/@protrav/@safework/documents/normativeinstrument/wcms_107831.pdf</a>• ILO Thesaurus.</li> </ul>
Triangular employment relationship	"Triangular" employment relationships occur when employees of a person (the "provider") work for another person (the "user"). In an employment relationship, there is usually no doubt about the identity of the employer where workers deal with only one person. This person is the one who hires the worker or who performs the normal functions of an employer. The situation may be different, however, in a "triangular" employment relationship, when these roles are assumed separately or jointly by more than one person and any one or a number of them may be perceived as the employer. In particular, workers may not know, for example, from whom exactly to claim payment of remuneration or compensation for an accident at work, and whether they can file a claim against the user when the direct employer disappears or becomes insolvent.	<ul style="list-style-type: none"> <li>• ILO: <i>The employment relationship</i>, International Labour Conference, 95th Session, Geneva, 2006.</li> </ul>

TERM	DEFINITION	REFERENCE
Tripartite structure	It refers to the interaction of government, employers and workers (through their representatives) as equal and independent partners to seek solutions to issues of common concern. The ILO's structure is based on this principle.	<ul style="list-style-type: none"> <li>• G. Casale. Arrigo. 2005. Glossary of Labour Law and Industrial Relations (with Special Reference to the European Union). International Labour Organization. (Geneva, 2005).</li> </ul>
Zero-hour contract	<p>Under this type of contract the workers are not entitled to any minimum number of hours of work. While it may be advantageous for certain categories of employees (access to the labour market, short working hours may be useful for students), it has some disadvantages:</p> <ul style="list-style-type: none"> <li>• Little job security.</li> <li>• No predictable and regular working hours. In extreme cases workers do not work at all for long periods.</li> <li>• Low wages and high income insecurity.</li> <li>• No key benefits, e.g. pensions and health insurance.</li> <li>• Work dissatisfaction.</li> </ul>	<ul style="list-style-type: none"> <li>• ILO: On-call work and "zero hours" contracts, Information Sheet No. WT-15, Conditions of Work and Employment Programme, Social Protection Sector, May 2004.</li> </ul>