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► Enhancing the Contribution of Export Processing Zones to SDG 8 on Decent Work and Inclusive Economic Growth: A review of 100 zones



**Enhancing the Contribution of Export Processing Zones  
to SDG 8 on Decent Work and Inclusive Economic Growth:  
A review of 100 zones**

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## Preface

Export Processing Zones (EPZs) continue to be popular tools for attracting foreign investment and comprise a large component of many national economic development strategies worldwide. Many countries view EPZ creation as a straightforward way to bring interest, money, and jobs to areas of the country where opportunities for formal employment are otherwise limited. However, the history of violations of fundamental rights at work in such zones serves as a reminder of the need for clear and enforceable labour policy. If countries do not protect the rights of workers on whom the EPZs depends, the goal of economic development is ultimately unsustainable.

Experts at the International Labour Organization's *Tripartite Meeting of Experts to identify possible action to promote decent work and protection of fundamental principles and rights at work for workers in export processing zones (EPZs)* (Geneva, November 2017) raised a number of questions on labour policy and practice in EPZs and identified the need for further research; this report seeks to answer some of these questions, especially regarding fundamental principles and rights at work, 'spillover' of development at a local level for inclusive economic growth and the potential for EPZs as incubators for decent work.

This report further expands on the conclusions of the United Nations Conference on Trade and Development's report *Enhancing the contribution of export processing zones to the sustainable development goals* (UNCTAD 2015), which identified the need for EPZs to switch from a narrow focus on cost advantages and lower standards to become champions of sustainable business. That report proposed that EPZ management agencies leverage their governance capabilities to enable the efficient and cost-effective performance of firms on social, environmental and ethical issues, and identified a number of examples where EPZs have integrated social and environmental excellence in their investment promotion strategies. Building on that 2015 UNCTAD report, and subsequent UNCTAD extensive and in-depth research on Special Economic Zones published in the 2019 World Investment Report, the present report *Enhancing the contribution of export processing zones to SDG 8, decent work and inclusive economic growth* examines the extent to which EPZs explicitly use labour policy and practices as marketing tools, or refer to such policies and practices in their communications with outside stakeholders. It identifies effective examples of EPZs promoting sound labour policy and positive local developmental impact as part of the business environment and value proposition it is offering to investors. It also highlights opportunities for EPZs to make a greater impact in advancing decent work and economic growth within zones, which have potential to expand to regulatory frameworks beyond the zones.

With the adoption of the right mix of policies and management practices, EPZs are well positioned to be leaders in connecting labour policy to practice. This report is intended to inspire EPZ management to reflect on and strengthen their current labour policies and practices. It also aims to encourage zones to identify, together with other actors and partners, how to better align their policies and practices with Sustainable Development Goal 8 on "Inclusive economic growth, full and productive employment and decent work for all".

## Executive summary / Key findings

This study examines the extent to which EPZs explicitly use labour policy and practices as marketing tools, or refer to such policies and practices in their communications with outside stakeholders. The findings suggest that most EPZs are not currently promoting labour policy and practice as part of their public communications as a strategy to attract potential investors, despite the growing pressure on companies to respect core labour rights, including in global supply chains.

Among the EPZs studied, public information predominantly focused on infrastructure and tax incentives available to users; two-thirds of zones surveyed made no reference to labour or employment policy at all. Nevertheless, this report finds that there are a variety of encouraging initiatives among EPZs for supporting fundamental rights at work and investing in job creation and workers' development, including:

- Sustainability reporting, including measures to promote decent work
- Support and funding for training and educational programs
- Participation in first-job placement programs for young workers
- Programs to promote workers' physical health and mental wellness
- Workshops in negotiation for industrial disputes
- Seminars on labour relations and labour standards in general
- Government-led recognition programs for labour regulation-compliant zones
- Regional-level zone associations to share knowledge and best practices

There clearly is wide scope for more effectively highlighting existing contributions to decent work and further strengthening policy and practice concerning labour rights. A decent-work centered strategy expands the opportunities for government-managed zones to attract investment with significantly more development potential. ILO and UNCTAD will continue to collaborate on ways to help facilitate learning among EPZs on their sustainable evolution, particularly concerning SDG 8.

## Acknowledgements

*Enhancing the contribution of export processing zones to SDG 8, decent work and inclusive economic growth* was prepared by Emily Sims, Senior Specialist and manager of the ILO Helpdesk for Business (ILO) and Anthony Miller, Economic Affairs Officer, Investment and Enterprise Division (UNCTAD). Data collection and drafting support was provided by Elizabeth Moody (ILO research assistant).

The report benefits from the discussions of experts at the World Trade Organization in 2018 and 2019, including: Raúl Torres, Counsellor, Development Division (WTO); Bostjan Skolar, CEO, World Association of Investment Promotion Agencies; Roberto Suárez Santos, Secretary-General of the International Organisation of Employers (IOE); Khamati Mugalla, Executive Secretary, East African Trade Union Confederation (EATUC); Richard Bolwijn, Head, Trends and Issues Branch of Investment and Enterprise Division (UNCTAD); and Githa Roelans, Head, Multinational Enterprises and Enterprise Engagement Unit (ILO).

Dr. Mohan Guruswamy, Chief Knowledge Officer at the World Free Zone Organization and Juan Torrents, President of FEMOZA, contributed their thoughts on the potential of EPZs to contribute to achieving the targets of SDG 8.

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## 1. Introduction

In response to the expectations of customers, investors, employees and others, corporate social responsibility has become a standard practice among more highly visible companies, in particular multinational enterprises (MNEs). MNEs typically want to maintain good social and environmental practices in all their activities in the most efficient and cost-effective ways possible. Consequently, zones that facilitate this process and simplify the operating lives of MNEs will have an advantage in attracting investment.

The social practices of MNEs, which this report focuses on, is a category of issues primarily related to the impact of business on labour-related human rights. EPZ administrators who create a conducive environment for good labour practices can increase their attractiveness to MNEs by aligning their policies to better contribute to Sustainable Development Goal 8 on decent work and economic growth (SDG 8).

Millions of workers worldwide are employed in zones, which often play an important role in transitioning workers from the informal to formal economy. Over the years, reports of gender discrimination and limits on freedom of association and collective bargaining, along with concerns about the real impact of EPZs on local development, reaffirm the need for more research on the topic. However, the ILO notes an approximately ten-year gap in knowledge on how EPZs affect decent work and the need for up-to-date information.<sup>1</sup>

EPZs have considerable potential as incubators for policy and programs. From a development perspective, a positive initial experience at the EPZ level can be scaled up across a sector or geographical region and eventually expand to cover the country as a whole as government capacity also expands. Zones can serve as a platform for identifying existing best practices, trying out new ideas, and sharing this knowledge at the regional, national, and international levels.

This study is a first attempt to identify existing approaches to promoting decent work as part of an EPZ's strategy to attract investment. In the second section of the report ("Positioning EPZs in trade and development strategy"), the role of EPZs in sustainable development and inclusive economic growth is explored. In the third section ("EPZs and public labour policy"), the results of a review of the public communications of 100 EPZs are summarized, with a particular focus on labour inspection, child and forced labour, non-discrimination, freedom of association, social protection and grievance mechanisms. The fourth section of the report ("EPZs and public policy on employment and local development") looks at mechanisms used in zones to promote inclusive economic growth, in particular linkages to local producers to foster greater spillovers of technology and skills and create more jobs. The conclusions offer some preliminary recommendations for EPZ managers, investors, regulators and stakeholders and suggests some next steps for future multi-stakeholder action.

This survey is necessarily exploratory rather than conclusive due to the comparatively small and non-random sample of 100 EPZs in 21 countries; and all of them being government administered zones. In order to evaluate how EPZs position themselves to potential investors regarding labour practices a survey of the public information of 100 different EPZs was conducted. This study focused on emerging market economies from within the G20, as well as a variety of countries chosen on the basis of available information, geographic diversity and the importance of EPZs as a national policy tool. One challenge with this method is a lack of

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<sup>1</sup> See, ILO 2017.

public information on EPZ websites. To mitigate this, the research team directly contacted EPZs in the study to receive additional information as necessary. The report is based on publicly available information, so some labour policies and initiatives may have been overlooked. While the study of public information cannot determine with certainty whether or not specific services exist in the zones, the study does provide an important indication of what EPZs publicly promote or talk about having in their zones.

## 2. Positioning EPZs in trade and development strategy

Export-oriented zones are typically geographically distinct, in part due to the need to be near ports or borders. This report focuses on exports because there is a strong link to trade agreement CSR clauses and buyer-driven CSR codes. Zones are generally administered by national, regional or local governments; or, increasingly, they may be administered by the private sector or in some form of public-private partnership. Zones offer a variety of benefits to attract users, including: financial incentives, such as preferential tax or duty treatment; exemptions from restrictions on repatriation of profits; ease of set-up by providing a streamlined business application process; and reduced administrative burden for exporting goods and proximity to the customs officers situated in the zone.

Over the previous three decades the world economy has been characterized by sustained growth in exports. World exports have in fact grown faster than GDP since 1990, fueled by emerging and developing countries, with EPZs playing a significant role therein. The presence of developing countries in global trade has increased over the last 15 years across all sectors; and in communications equipment, apparel and textiles, tanning and office machinery sectors the share is between 60 and 85 per cent of the total.<sup>2</sup>

Countries may use EPZs as a policy tool to attract efficiency seeking export oriented FDI and spur local growth in terms of job creation and labour force development.<sup>3</sup> By their nature, EPZs are directly linked to trade. Growing awareness of the link between trade and quality of jobs created in exports production has led to increasing inclusion of labour provisions in trade agreements and in some cases in international investment agreements.

There are thousands of EPZs worldwide. The importance of EPZs to a country's economy tends to be higher in developing economies, and some countries have made these zones a central component of their economic policy. As the popularity of EPZs continues, policy makers can take steps to better design and manage zones with the aim of promoting sustainable development. Going forward, EPZs must increasingly identify new value propositions to attract users. Creating a zone that integrates sustainable development (in particular SDG 8) can be an important element of successful zone promotion strategies (WIR2019).

In the report *Enhancing the Contribution of Export Processing Zones to the Sustainable Development Goals*, UNCTAD offers a 'Framework for Sustainable Economic Zones' to guide consideration of EPZ standards, infrastructure and administrative assistance to enhance sustainability performance (figure 1). This framework is equally applicable to assessments of the contribution to SDG 8, including broader issues such as environment and corruption prevention that also contribute to a safe workplace, as well as local economic linkages and

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<sup>2</sup> For detailed information on current trends in zones, see UNCTAD's 2019 *World Investment Report: Special Economic Zones*.

<sup>3</sup> UNCTAD (2015) [unctad.org/EPZ](http://unctad.org/EPZ)

staff development that impact job creation outside zones. Furthermore, UNCTAD also presented practical policy toolbox in its World Investment Report 2019 to guide countries and zone authorities in achieving sustainable development including SDG 8. These include SEZ Sustainable Development Profit and Loss Statement, the Framework for Sustainable Economic Zones, and An Overview of Possible Policy Responses to Emerging Challenges.<sup>4</sup>

Figure 1. Framework for Sustainable Economic Zones

Key elements for promoting sustainable EPZs			
	Policies/Standards	Infrastructure assistance	Administrative assistance
<b>General Approach</b>	Create multi-stakeholder partnerships to identify opportunities and develop an action plan		
	Maintains and enforces policies and standards, including:	Provides services or specialists to insure compliance/offer assistance, including:	Provides guidance and training to companies, covering how to:
<b>Labour</b>	<ul style="list-style-type: none"> <li>• minimum wage</li> <li>• working hours and benefits</li> <li>• respecting right of unions to be active within the zone</li> <li>• gender equality and related issues</li> <li>• incentives for third-party certifications</li> </ul>	<ul style="list-style-type: none"> <li>• labour inspectors</li> <li>• conflict resolution specialists</li> <li>• reporting hotlines</li> <li>• gender focal points</li> </ul>	<ul style="list-style-type: none"> <li>• improve labour conditions</li> <li>• engage in social dialogue</li> </ul>
<b>Environment</b>	<ul style="list-style-type: none"> <li>• emissions</li> <li>• waste disposal</li> <li>• energy use</li> <li>• incentives for third-party certifications</li> <li>• promoting circular economy</li> </ul>	<ul style="list-style-type: none"> <li>• centralized effluent treatment</li> <li>• water reclamation systems</li> <li>• recycling services</li> <li>• hazardous waste management services</li> <li>• alternative energy sources</li> <li>• reporting hotlines</li> <li>• enabling circular economy</li> </ul>	<ul style="list-style-type: none"> <li>• further reduce natural resource use</li> <li>• reduce waste</li> <li>• increase recycling</li> <li>• improve energy efficiency</li> <li>• adopt renewable energy</li> </ul>
<b>Health &amp; Safety</b>	<ul style="list-style-type: none"> <li>• employee health and safety protection</li> <li>• incentives for third-party certifications</li> </ul>	<ul style="list-style-type: none"> <li>• medical clinic</li> <li>• fire brigade</li> <li>• reporting hotlines</li> </ul>	<ul style="list-style-type: none"> <li>• prevent health and safety emergencies</li> </ul>
<b>Corruption</b>	<ul style="list-style-type: none"> <li>• anti-corruption standards and policies</li> </ul>	<ul style="list-style-type: none"> <li>• hotlines</li> <li>• information on reporting corruption</li> </ul>	<ul style="list-style-type: none"> <li>• build capacity to detect and avoid corrupt business practices</li> </ul>
<b>Economic Linkages</b>	<ul style="list-style-type: none"> <li>• employer support for staff training and development</li> </ul>	<ul style="list-style-type: none"> <li>• assistance with local sourcing</li> </ul>	<ul style="list-style-type: none"> <li>• identify and upgrade local suppliers</li> </ul>

Source: UNCTAD 2015

<sup>4</sup> See UNCTAD's 2019 *World Investment Report: Special Economic Zones*, p. 178, p. 190 and p. 200.

### 3. EPZs and public labour policy: an analysis of publicly available information of 100 government administered EPZs

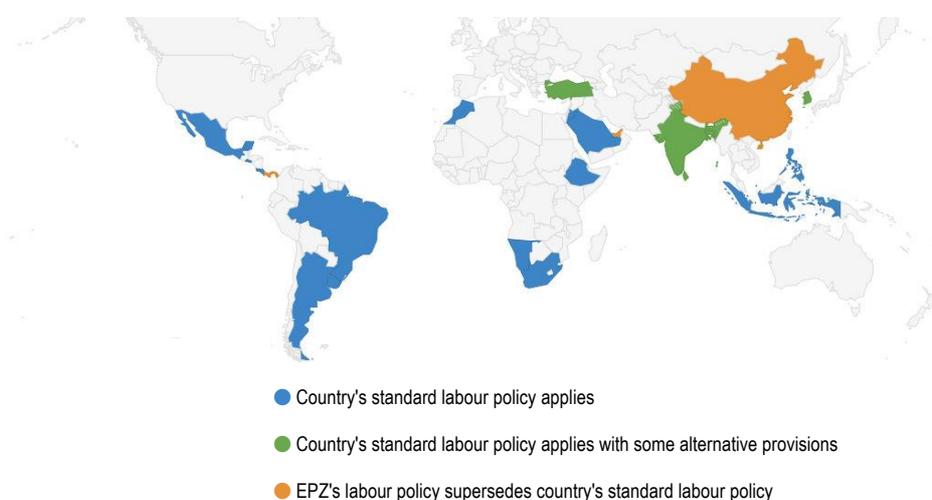
The research in this report builds on UNCTAD's 2015 research, focusing on the current status of public labour policy in EPZs. A sample of 100 government administered EPZs in 21 countries from around the world was surveyed using an updated version of the list of zones used in UNCTAD's 2015 study. The sample includes zones which are in geographically limited territories where industrial activity is encouraged. The methodology of the ILO EPZ survey is described in Appendix A and a list of data points collected is shown in Appendix C. Data collection focused on publicly available information. The study of publicly available information cannot determine with certainty whether or not these policies exist (or are adhered to) in the zones. Rather the study provides an indication of which labour-related policies and practices zone administrators currently view as important 'selling points' in their public communications with occupants and investors. The study also helps to identify examples of practices that may be potential areas for further exploration on how to support zones to promote decent work.

The issues explored in this desk review draw on the guidance provided in the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (ILO MNE Declaration). The ILO MNE Declaration speaks directly to multinationals and other enterprises operating in zones, as well as to governments that adopt and implement the policy frameworks shaping company operations in the zones. A summary of the principles directed at both government and enterprises is contained in Appendix D.

#### *Labour laws and labour inspection*

In 14 out of the 21 countries surveyed, national labour laws apply inside the government administered EPZs (figure 2). In the remaining countries, alternative provisions, with the intent of attracting users, apply. Some of these provisions consist of small changes to the labour law aimed at simplifying business for the user. For instance, South Korea's policy on hiring a certain percentage of veterans is relaxed in zones. Other provisions place EPZs under a separate authority altogether. For example, a separate legal framework governs EPZs in Bangladesh; in the UAE, zone employment rules supersede UAE labour law within the geographic territory of the zone.

Figure 2. Labour policy in EPZs across countries surveyed



Source: ILO, UNCTAD

Labour law compliance certifications, through governments or industry organizations, can motivate zones to ensure that they are aligning practice with policy. The Philippines has rolled out such a program, in which zones can earn markers to prove their compliance.<sup>5</sup> Industry organizations can also help by reminding members of their legal responsibilities; for example, Costa Rica's free zone association AZOFRAS publishes a magazine which draws free zone operators' and users' attention to timely issues, including labour reform. A recent article noted that some zones were soliciting irrelevant personal information on application forms, recognized the need for reform in hiring procedures and disciplinary measures, and reminded readers that in Costa Rica free zones operate under the same labour laws as the rest of the country.<sup>6</sup>

Labour inspection is featured on 30 of the 100 EPZ websites reviewed, perhaps reflecting a growing number of potential investors who are taking effective labour inspection into account as part of their due diligence when selecting investment locations. Of these 30 zones that mentioned the existence of labour inspectors, most (25 zones) indicated that the labour inspectors were provided by the government as part of national labour law. In other instances, such as EPZs in Kerala, India, a self-certification process clears companies operating in the zone from further inspection unless there is a formal complaint.<sup>7</sup> While exemption from public labour inspection in EPZs can ease the burden on an under-resourced national regulatory body, the removal of an important layer of oversight can create conditions for abuse.

### *Child and forced labour*

None of the websites of the zones studied refer to either child or forced labour. Supplemental research indicated that there were few reported cases of child labour and those overlapped with reported cases of exploitation of immigrants and refugees. In countries with a high proportion of refugees, where refugees without work permits can be hired at the fraction of the wages of a local worker, there have been reports of underage labourers, long shifts, and verbal and physical abuse.<sup>8</sup> There were no reported cases of forced labour.

### *Non-discrimination*

Fifteen of the 100 EPZs studied promoted a policy on non-discrimination (figure 3). This does not include zones that indicate generally that national labour laws and policies (including those pertaining to non-discrimination) apply in the zone; it only includes zones making explicit references to non-discrimination policies and practices. Twelve zones had specific public policies on gender discrimination. For example, the Philippine Economic Zone Authority (PEZA) has a "Gender and Development" programme through which the zone conducts trainings and collects information<sup>9</sup> and the Bangladesh Export Processing Zones Authority (BEPZA) has published clear goals about job creation for women. In some cases, it is the body that oversees the EPZ that has adopted a relevant policy. For example, the Sri Lanka Board of Investments, which oversees EPZs in Sri Lanka, has adopted a policy to eliminate discrimination.<sup>10</sup> Only three zones had a published policy on sexual harassment and only 4 of

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<sup>5</sup> Sunstar (2015) [Bataan marks ecozones labor laws compliant](#). 22 May.

<sup>6</sup> ZF Report September/October 2017, p.3.

<sup>7</sup> [Government of Kerala Labour Laws - Self Certification in SEZs](#).

<sup>8</sup> See, ILO 2017.

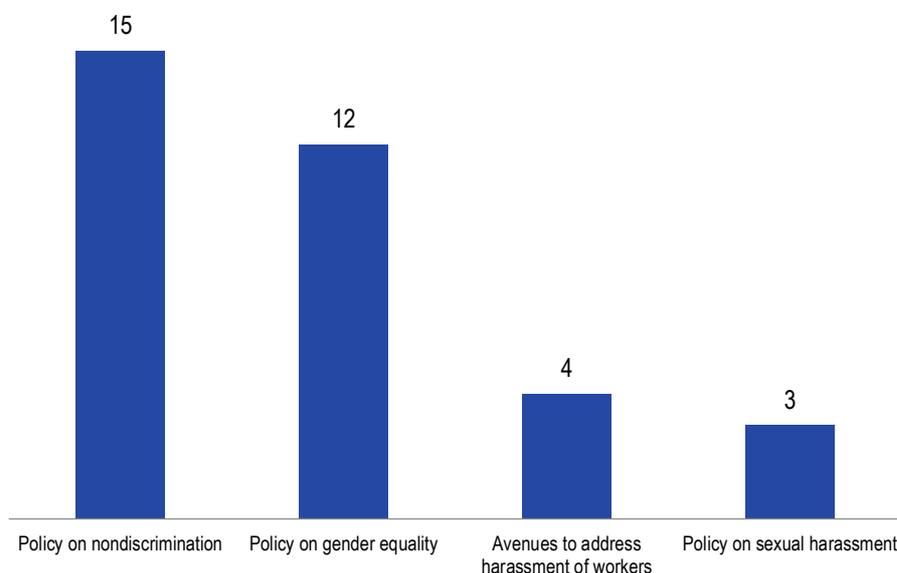
<sup>9</sup> [PEZA Gender and Development](#)

<sup>10</sup> [Sri Lanka BOI](#)

100 published information on redress mechanisms for workers in cases of harassment, despite the prevalence of this type of discrimination in zones.<sup>11</sup>

**Figure 3. EPZs which specify on their website a policy on non-discrimination, gender equality and/or harassment**

By topic (number of EPZs;  $\Sigma=100$ )



Source: ILO, UNCTAD

### *Freedom of Association*

Of the EPZs surveyed, public communications regarding representation and rights at work indicates 16 zones with employee representation, of which 10 zones indicate the employees are represented by a union (figure 4). A further 6 zones stated that there are employee associations or were not clear on the method of representation. Further research is needed to assess how the rate of organization within zones compares to that outside the zones.

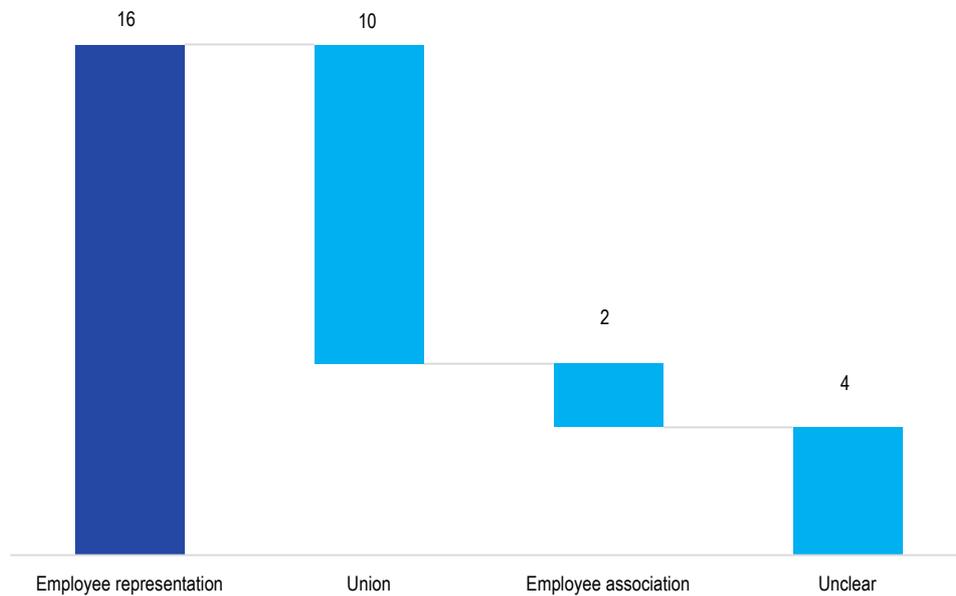
Limits on freedom of association and collective bargaining continue to be a point of concern in EPZs. Some countries may forbid workers in EPZs from engaging in strikes or lockouts, either permanently or for a window of time (e.g. EPZ workers cannot strike during a new company's first 15 years of operation). Even in cases where workers are legally allowed to unionize, there may be other obstacles. Some governments are taking steps to reduce or eliminate these obstacles, for example Bangladesh revised its EPZ regulations in 2019 to make it easier for workers to form and join unions.

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<sup>11</sup> See, ILO 2017.

**Figure 4. EPZs which specify on their website a policy on employee representation**

By type of representation (number of EPZs;  $\Sigma=100$ )



Source: ILO, UNCTAD

Among the zones surveyed, there were some promising examples of efforts to promote better understanding of the role of freedom of association. For example, the Freeport Area of Bataan in Philippines holds seminars for workers, including HR practitioners and union officers, on “building good labour relations with adherence to general labour standards in attaining industrial peace”.<sup>12</sup>

#### *Occupational safety and health*

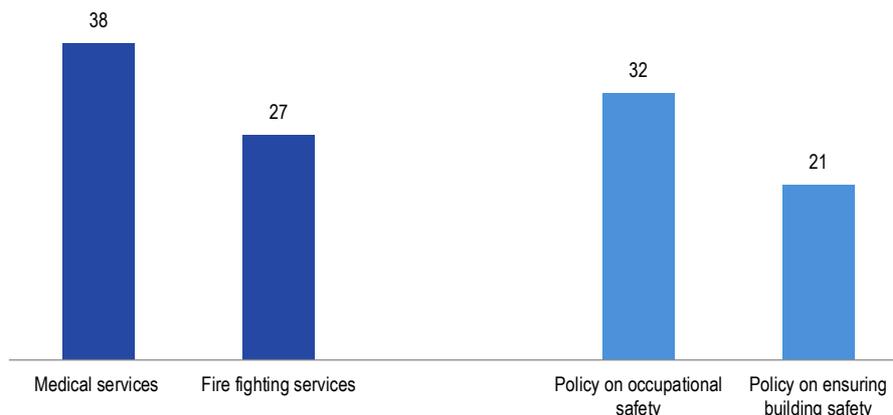
Occupational safety and health (OSH) are among the most widely addressed topics among the zones surveyed. Over a third of zones indicate that they provide medical services and nearly a third report on firefighting services (figure 5). Similarly, between a fifth and a third of the 100 zones studied described their policies on occupational safety and building security. Although the study did not include questions about mental health programs, several zones did list such programs, which suggest zone operators recognize the importance of mental health in overall worker wellness.<sup>13</sup>

<sup>12</sup> [AFAB Labour](#)

<sup>13</sup> [AFAB Mental Health Awareness](#), [Dubai Medical Camp](#)

**Figure 5. EPZs which specify in their website a policy on OSH services and policies**

By topic (number of EPZs;  $\Sigma=100$ )



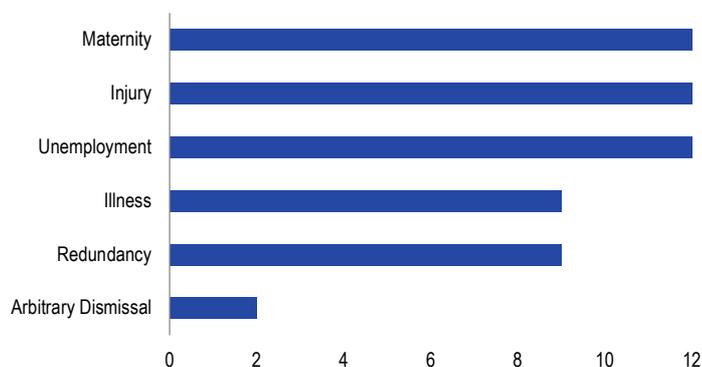
Source: ILO, UNCTAD

### *Social protection*

Twelve of the zones studied reported on social security or social protection schemes for workers with the most common social security schemes relate to maternity, injuries and unemployment (figure 6). Some zones do not provide any special social security programmes specific to the zones, rather they rely on general government schemes that apply to all workers in the country.

**Figure 6. EPZs which specify in their website a policy on social security for workers**

By types of social security programmes offered (number of EPZs;  $\Sigma=100$ )



Source: ILO, UNCTAD

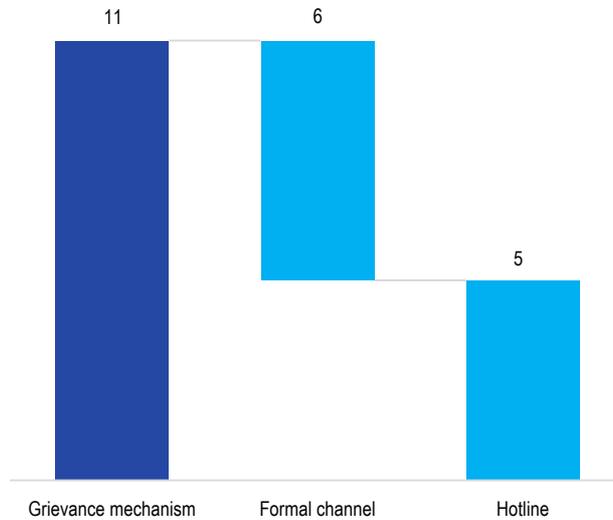
### *Grievance mechanisms*

In light of the *UN Guiding Principles on Business and Human Rights*, awareness is growing of the need for companies and governments to provide access to remedy in case of violations of human rights, including workers' rights.<sup>14</sup> In this study, however, only 11 of the zones surveyed published information about methods for workers to register grievances (figure 7).

<sup>14</sup> See, [UN Guiding Principles on Business and Human Rights](#)

**Figure 7. EPZs which specify on their website a policy on grievance mechanisms**

By type mechanism (number of EPZs;  $\Sigma=100$ )



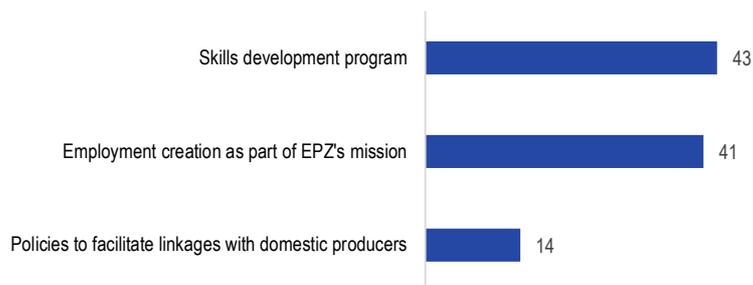
Source: ILO, UNCTAD

#### 4. EPZs and public policy on employment and local development

Many zones studied provide information on their public policies and programmes to enhance local development impacts. These generally focus on employee training and education, job creation, and linkages with domestic producers (figure 8). Skills development and employment creation are among the most popular and cited by just under half the zones in the study.

**Figure 8. EPZs which specify on their website policies and programmes on employment and local development**

By topic (number of EPZs;  $\Sigma=100$ )



Source: ILO, UNCTAD

Less than a fifth of zones in the study made publicly available policies to facilitate linkages with domestic producers. One zone, the Dubai Multi Commodities Centre (DMCC), conducted a study to assess the economic and employment spillover effects on the surrounding community.<sup>15</sup> In general, tracking and study of job creation tended to be done by other government offices rather than the zone administrators themselves. One example is PROCOMER, Costa Rica's export promotion agency, which collects data on the number of jobs created, both directly and indirectly, and the net worth of jobs and investment created.

<sup>15</sup> [DMCC Sustainability](#)

Industry organizations can also aid with data collection and analysis. For example the Asociacion de Zonas Francas de las Americas periodically publishes reports on zone performance in its member states.<sup>16</sup> None of the zones studied reported on whether low-income groups benefited from EPZ presence, which remains an important topic for future research.

Although only slightly less than half of zones in the study mentioned skills development, those that reported such programs recognized them as important selling points for users. For example, Tanger Free Zone in Morocco advertises its access to training centers and the existence of government funding for training of the workforce to “meet the needs of foreign investors”.<sup>17</sup> A variety of schemes for skills development programmes were identified among the zones in the study. Some focused on management training for nationals, while others focused on technical skills or continuing education for workers. In some countries, zones can take advantage of government subsidies for worker training. For example, Costa Rica’s investment promotion agency cites subsidized access to training as a main incentive for investors.<sup>18</sup> For forward-looking zones, employee training is part of a broad package of sustainability efforts.<sup>19</sup>

Forty-one of the zones studied cited employment creation as their main objective. In some cases, this reflected a national priority, such as in Uruguay and South Africa, while in other cases, it was a goal at the local level. Some governments require that a certain percentage of workers be nationals, such as Brazil (two-thirds of workers) and Uruguay (three-quarters of workers), with exemptions possible based on availability of needed talent. Initiatives such as the “first job” programme in Argentina help place recent graduates in companies operating in EPZs.<sup>20</sup>

## 5. Conclusions

EPZs are uniquely positioned in their potential to impact SDG 8. In EPZs, governments have a more manageable geographic space in which they can innovate, test and experiment with ways to strengthen policies and practices that contribute to decent work and inclusive economic growth. Ideally, zone successes could then be scaled up to the rest of the country.

The findings of this study identified how many zones had explicit policies reported on their websites. Of course, the lack of reporting on a policy regarding a specific issue does not necessarily indicate that the policy is not there. Therefore, this study is a starting point in understanding how zones integrate issues of decent work in their promotional material. Further research will be required to obtain a more detailed picture of the differing approaches among zones.

The results of this study do indicate, however, that relatively few zones have begun to actively promote decent work as a key selling point. Among the EPZs studied, publicly available information predominantly focused on zone infrastructure and the tax incentives available to users; two-thirds of zones made no reference to labour or employment policy at all. In the case of zones subject to the host country’s labour laws, they may simply find it redundant to post these laws on their sites. This omission, however, implies that many zones do not yet consider

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<sup>16</sup> [AZFA Statistics](#)

<sup>17</sup> [Tanger Med Group Qualification of Resources](#)

<sup>18</sup> [CINDE Incentives](#)

<sup>19</sup> [Montevideo Free Zone CSR policy](#)

<sup>20</sup> [FZ La Pampa Primero Empleo](#)

labour policy to be an important point of consideration for potential clients and users. Based on the information that zones choose to share publicly, it seems they hold a conventional view that users are primarily concerned with the ease of setting up business and financial benefits. However, recent trends indicate that consumers are becoming more concerned with how goods and services are produced at all stages of the global value chain (what the WTO refers to as “process and production methods”). This suggests that MNEs operating in EPZs will increasingly care about their own reputation and that of the EPZ in which they operate. In this context, a zone that is able to demonstrate a commitment to fair labour policy and that makes it easier for MNEs in the zone to meet social compliance expectations will have an advantage.

EPZ policy frameworks and promotion strategies are shifting from tax breaks to providing boutique services to foreign investors and creating opportunities to use EPZs to fuel positive development nationwide. As MNEs grow increasingly serious about the sustainability of their business and aligning their practices with the SDGs, responsible labour policies become an important selling point for zones. The zone industry itself recognizes this and sees sustainability (including decent work) as a key pillar of what it means to be ‘future ready’.<sup>21</sup>

As the 2019 World Investment Report on Special Economic Zones highlighted, zones have the potential, to provide vital technology and skills development for economic transformation; and their relatively small and confined nature can encourage policy experimentation. Zones can also positively contribute to social and environmental performance of enterprises operating in the zones, which can have a powerful demonstration effect on enterprises more broadly in the sector, country and globally: “SDG model zones could adopt the highest international standards, set the benchmark and act as catalysts for improvements across all zones through innovation and experimentation with new approaches.”<sup>22</sup> This approach dovetails nicely with the growing trend in which sustainable development is becoming a top priority driving MNEs’ strategic decisions and operations. “Laxer social and environmental rules or controls are not a viable long-term competitive advantage to attract investment in zones. On the contrary, they can lead to zone failure when the SEZ becomes associated with labour or human rights abuses, projecting a negative image that discourages investment.”<sup>23</sup>

While the number of zones and their share of GDP has continued to increase over the past two decades, zones still face some distinct challenges relating to capacity building, process and performance innovation, knowledge sharing and sustainability. Partnerships with other stakeholders can help address these challenges and assist EPZs to further align their labour policy and practice with targets under SDG 8. Multi-stakeholder efforts can assist with knowledge-sharing and the creation of new certifications and accountability systems which can simultaneously foster a shared understanding and commitment to decent work and reduce the costs of demonstrating that commitment to investors, workers, consumers and other key stakeholders. On a global scale, international and regional associations of zones<sup>24</sup> working alongside international organisations can help with information collection and analysis, dissemination of knowledge and best practices, and sharing tools and resources. Employers’ organizations, trade unions, together with government representatives, international organisations and other stakeholders can aid in developing new standards for zones to

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<sup>21</sup> World Free Zone Organisation (2018) [Free Zone of the Future Izdihar Index](#)

<sup>22</sup> See, UNCTAD, *WIR 2019 special report on Special Economic Zones*, p. 202.

<sup>23</sup> *Ibid.*, p. 200.

<sup>24</sup> E.g., the World Free Zone Organization (WFZO), the Free & Special Economic Zones (FEMOZA), the African Free Zone Organization (AFZO) and the Free Trade Zones Association of the Americas (AZFA).

improve recognition for zones with fair labour practices. There is also room on the global stage for a network of sustainable zones, either as a new entity or as part of an existing industry association.

Country-level and regional-level free zone associations have an important role to play as well. This role can be as simple as reminding zones of their obligations under the law, or could go a step further to creating a platform for continued learning. For example, in addition to legal and operational advice, AZOFRAS offers guidance on permits and procedures specific to zones, statistical and business information, and training activities and programs.<sup>25</sup> This type of knowledge-sharing can even happen at the zone level, among zone users. The Mactan Export Processing Zone Chamber of Exporters and Manufacturers in the Philippines shares best practices with companies in ecozones, conducts outreach programs, and holds courses.<sup>26</sup> Associations can further help with information collection and analysis, which zones may not have the capacity to do themselves. Associations could provide resources to hold events for workers that no one zone could afford to host individually. For example, the Free Trade Zone Manufacturers Association of Sri Lanka offers trainings for workers on topics ranging from core labour rights, vehicle emissions and traffic rules to sexually transmitted diseases.<sup>27</sup> As these programmes strengthen and expand, they could also begin to address gaps in existing protection of workers' rights, in particular concerning freedom of association.

Organizations of trade unions can play an important role at the local level in helping workers in zones to know about their rights and to organize and negotiate. From ensuring that workers have a full understanding of their local labour laws, to providing toolkits for collective bargaining, trade union organizations can help workers and unions at the local level work more effectively towards SDG 8, thereby enhancing the reputations of the zones and making them more attractive to investors.

International organisations such as the ILO, UNCTAD, UNEP, WHO and standards and certification bodies such as the Fair Labour Association, the International Organization for Standardization (ISO), and Social Accountability International could increase their outreach to EPZs. Resultant partnerships could enhance the ability of the participating EPZs (and firms operating within those EPZs) to consistently behave in a socially responsible manner by tapping into expertise and resources external to the EPZ.

The findings of the 2015 survey undertaken by UNCTAD as they pertain to decent work have not changed much in the past 5 years: decent work has not yet become a significant part of their promotional activities. ILO and UNCTAD will continue to identify ways in which they can support various initiatives of government-administered zones, as well as other types of zones, to make sustainable development the central objective, in particular concerning SDG 8 on inclusive economic growth and decent work.

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<sup>25</sup> [AZOFRAS Services](#)

<sup>26</sup> [MEPZCEM Chamber Inc.](#)

<sup>27</sup> [FTZMA Events](#)

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## Appendix A: Research methodology

### *Sample*

In order to evaluate how EPZs position themselves to potential investors regarding labour practices a survey of the public information of 100 different EPZs was conducted. As there is no readily available list of EPZs, it was necessary to generate a sample of EPZs to be studied. This study focused on emerging market economies from within the G20, as well as a variety of countries chosen on the basis of available information, geographic diversity and the importance of EPZs as a national policy tool, specifically:

- Argentina
- Bangladesh
- Brazil
- China
- Costa Rica
- El Salvador
- Ethiopia
- India
- Indonesia
- Jordan
- Morocco
- Namibia
- Panama
- Philippines
- Saudi Arabia
- South Africa
- South Korea
- Sri Lanka
- Turkey
- United Arab Emirates
- Uruguay

### *Process*

For a complete list of EPZs studied, see Appendix B. This paper uses the International Labour Organization's definition for an EPZ, namely: "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".<sup>28</sup> Websites of EPZs were surveyed and an analysis of the infrastructure and services offered as well as stated policies was conducted. A structured survey was conducted with a total of 36 questions, ranging from basic labour practices to workers' benefits. For a complete list, see Appendix C.

### *Limitations*

- Limited publicly available information. One challenge with this method is a lack of public information on EPZ websites. To mitigate this, the research team directly contacted EPZs in the study to receive additional information as necessary.

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<sup>28</sup> [ILO, 2017](#).

- Public information versus actual practice. The report is based on publicly available information, so some labour policies and initiatives may have been overlooked. Moreover, while the study of public information cannot determine with certainty whether or not specific services exist in the zones, the study does provide an important indication of what EPZs publicly promote or talk about having in their zones.
- Limited sample size. This survey is necessarily exploratory rather than conclusive. The report is based on a comparatively small and non-random sample of 100 EPZs in 21 countries with all of them being government administered zones.

## Appendix B: List of EPZs studied

Argentina EPZ 1:	La Plata
Argentina EPZ 2:	San Luis
Argentina EPZ 3:	Puerto Iguazu
Argentina EPZ 4:	Cordoba
Argentina EPZ 5:	Mendoza
Argentina EPZ 6:	La Pampa
Argentina EPZ 7:	Comodoro Rivadavia
Argentina EPZ 8:	Salta
Bangladesh EPZ 1:	Adamjee
Bangladesh EPZ 2:	Dhaka
Bangladesh EPZ 3:	Mongla
Bangladesh EPZ 4:	Ishwardi
Bangladesh EPZ 5:	Comilla
Bangladesh EPZ 6:	Uttara
Bangladesh EPZ 7:	Chittagong
Bangladesh EPZ 8:	Karnaphuli
Brazil EPZ 1:	Ceara
Brazil EPZ 2:	Parnaiba
China EPZ 1:	Changshu Export Processing Zone
China EPZ 2:	Baoding High-tech Industrial Development Zone
China EPZ 3:	Tianjin Port Free Trade Zone
China EPZ 4:	Qingdao Export Processing Zone
China EPZ 5:	Shanghai Integrated Free Trade Zone
China EPZ 6:	Qinhuangdao Export Processing Zone
China EPZ 7:	Lianyungang Export Processing Zone
Costa Rica EPZ 1:	Zona Franca del Este
Costa Rica EPZ 2:	Coyol Free Zone
Costa Rica EPZ 3:	Metro Free Zone
Costa Rica EPZ 4:	Green Park Free Zone
Costa Rica EPZ 5:	America Free Zone
El Salvador EPZ 1:	International Free Zone
Ethiopia EPZ 1:	Hawassa Industrial Park
Ethiopia EPZ 2:	Bole Lemi Industrial Park
Ethiopia EPZ 3:	Adama Industrial Park
India EPZ 1:	Adani Port SEZ (Mundra)
India EPZ 2:	Kandla SEZ
India EPZ 3:	Andhra Pradesh Special Economic Zone
India EPZ 4:	Cochin Special Economic
India EPZ 5:	Maharashtra Industrial Development CorporationLtd, (4 zones total: Mumbai, Pune, Nagpur, Nanded)
India EPZ 6:	Madras Export Processing Zone
India EPZ 7:	Falta Special Economic Zone
India EPZ 8:	Visakhapatnam SEZ
India EPZ 9:	Seepz Special Economic Zone
Indonesia EPZ 1:	Batam FTZ
Indonesia EPZ 2:	Galang Batang FTZ

Indonesia EPZ 3:	Karimun FTZ
Indonesia EPZ 4: PT.	Kawasan Berikat Nusantara (Persero)
Jordan EPZ 1:	Aqaba Special Economic Zone
Morocco EPZ 1:	Tanger Free Zone
Namibia EPZ 1:	Walvis Bay
Panama EPZ 1:	Colon Free Trade Zone
Philippines EPZ 1:	Mactan I
Philippines EPZ 2:	Mactan II
Philippines EPZ 3:	Free Port Area of Bataan(SEZ)
Philippines EPZ 4:	Cavite
Saudi Arabia EPZ 1:	King Abdullah Economic City
South Africa EPZ 1:	Coega Industrial Development Zone (Port Elizabeth)
South Africa EPZ 2:	East London (ELIDZ)
South Africa EPZ 3:	Richards Bay Industrial Development Zone
South Korea, EPZ 1:	IFEZ, Incheon Free Economic Zone
South Korea, EPZ 2:	SGFEZ, Saemangeum (Gunsan FTZ)
South Korea EPZ 3:	BJFEZ, Busan-Jinhae
South Korea EPZ 4:	GFEZ, Gwangyang Bay Area FEZ
South Korea EPZ 5:	Yellow Sea Free Economic Zone
South Korea EPZ 6:	DGFEZ, Daegu-Gyeongbuk FEZ Authority
South Korea EPZ 7:	Daebul Free Trade Zone
South Korea EPZ 8:	Gunsan Free TRade Zone
South Korea EPZ 9:	Masan FTZ
South Korea EPZ 10:	Donghae FTZ
Sri Lanka EPZ 1:	Katunayake
Sri Lanka EPZ 2:	Biyagama
Sri Lanka EPZ 3:	Koggala
Sri Lanka EPZ 4:	Mawathagama
Sri Lanka EPZ 5:	Polgahawela
Sri Lanka EPZ 6:	Mirigama
Sri Lanka EPZ 7:	Horana
Sri Lanka EPZ 8:	Seethawaka
Sri Lanka EPZ 9:	Kandy
Sri Lanka EPZ 10:	Malwatta
Sri Lanka EPZ 11:	Wathupitiwela
Turkey EPZ 1:	Antalya Free Zone
Turkey EPZ 2:	MESABAS, Mersin Free Zone Operator Inc.
Turkey EPZ 3:	ESBAS Aegean Free Trade Zone
Turkey EPZ 4:	Trabzon Free Zone
Turkey EPZ 5:	Istanbul Thrace Free Zone
Turkey EPZ 6:	Izmir Menemen Leather Free Trade Zone
Turkey EPZ 7:	DENSER - Denizli
Turkey EPZ 8:	Toros Adana Yumurtalık Free, TAYSEB
Turkey EPZ 9:	Kayser
Turkey EPZ 10:	European Free Zone
United Arab Emirates EPZ 1:	Jebel Ali Free Zone
United Arab Emirates EPZ 2:	Sharjah Airport Internationall Free Zone
United Arab Emirates EPZ 3:	DMCC

Uruguay EPZ 1:	Zona America
Uruguay EPZ 2:	Zona Franca de Colonia (Grupo Continental S.A.)
Uruguay EPZ 3:	Zona Franca Colonia Suiza
Uruguay EPZ 4:	Zona Franca Floridasur (Florida S.A.)
Uruguay EPZ 5:	Zona Franca Libertad (Lideral S.A.)
Uruguay EPZ 6:	WTC Free Zone
Uruguay EPZ 7:	Parque de las Ciencias

## Appendix C: List of research questions

### A. General questions about EPZ

- 1 Number of companies
- 2 Number of workers
- 3 Trade volume (USD per year, latest figures)
- 4 Industries represented in EPZ

### B. Labour practices

- 6 Are there labour inspectors?
  - 6.1 Government provides labour inspectors
  - 6.2 Private Sector provides labour inspectors
  - 6.3 Unclear who provided
  
- 7 Is the minimum wage in the EPZ different from national minimum wage?
  - 7.1 Greater
  - 7.2 Less than
  - 7.3 Unknown
  
- 8 Is there a minimum age for employment?
  - 8.1 Minimum age, if given
- 9 Is there a clear policy on a minimum age for hazardous work?
- 10 Any reported cases of child labour?
- 11 Any reported cases of forced labour?
  
- 12 Does EPZ offer social security or protections for workers?
  - 12.1 Maternity
  - 12.2 Injury
  - 12.3 Illness
  - 12.4 Unemployment
  - 12.5 Redundancy
  - 12.6 Arbitrary Dismissal
  
- 13 Is there a policy on nondiscrimination?
- 14 Is there a policy on gender equality?
- 15 Is there a policy on sexual harassment?
- 16 Are there avenues to address harassment of workers, including sexual harassment, and broader violence at work?

### Fundamental Principles and Rights at Work

- 17 Does the EPZ have any public policy on labour issues?
- 18 Is the general labour law applicable in the EPZ? If there are alternative provisions, are they more or less stringent than general labour law?
  - 18.1 More stringent
  - 18.2 Less stringent
  
- 19 Is there evidence of employee representation within the EPZ? If so, what type?
  - 19.1 Union
  - 19.2 Employee association (not union)
- 20 Is there a policy concerning freedom of association?
- 21 Are workers allowed to bargain collectively?
- 22 Are there any collective bargaining agreements that have been signed in the EPZ?
  
- 23 Does the EPZ have a system or policy in place to address individual grievances and industrial disputes?

- 24 Is there a way to register grievances? If so, specify  
24.1 Formal channel  
24.2 Hotline

#### **Hours of Work**

- 25 Is there a public policy on hours of work?  
25.1 If so, are any enforcement mechanisms mentioned?

#### **C. Occupational Health and Safety**

- 26 Is there a public policy on enforcing occupational safety and health?  
27 Is there a policy on ensuring building safety?  
28 Fire fighting services  
29 Medical services (e.g. clinic, hospital)

#### **D. Skills Development and Spillover and Development Impact**

- 30 Does the EPZ have a skills development program? Does it have a policy to encourage investors to invest more in skills development?  
30.1 Skills development offered for workers  
30.2 Skills development offered for management (nationals)  
30.3 Unclear

- 31 Is employment creation part of the EPZ's mission?/Is job creation a priority in the policy objectives of the EPZ?

- 31.1 Does the EPZ have a public strategy to encourage job creation?  
31.2 Do they provide evidence on website that they've created local jobs?  
31.3 Do they track statistics on job creation?

- 32 Are there any policies to facilitate linkages with domestic producers?

- 33 Does the EPZ administration undertake periodic studies to see what the impacts are, to assess how the EPZ is affecting things inside the EPZ and outside? (Including economic and social development) If so, who conducts the studies?

- 33.1 Government conducts studies  
33.2 3rd party conducts studies

- 34 Are there policies to determine whether low-income groups benefit from the policies of the EPZ?

#### **E. Other Worker Amenities and Services**

- 35 Does the EPZ offer any financial services (banking, money transfer) for workers?

- 36 Does the zone provide housing for workers?  
36.1 If yes, is there a public statement of quality regarding provided housing?

## Appendix D: Provisions of the MNE Declaration

Principles directed to Governments	Principles directed to Enterprises
<b>General Policies</b>	
<ul style="list-style-type: none"> <li>▪ Further the aim of the Declaration by adopting appropriate laws and policies, measures and actions, including in the fields of labour administration and public labour inspection [para. 3]</li> <li>▪ Ensure equal treatment between multinational and national enterprises [para. 5]</li> <li>▪ Ratify all the Fundamental Conventions [para. 9]</li> <li>▪ Promote good social practice in accordance with the MNE Declaration among MNEs operating in their territories and their MNEs operating abroad [para. 12]</li> <li>▪ Be prepared to have consultations with other governments whenever the need arises [para. 12]</li> </ul>	<ul style="list-style-type: none"> <li>▪ Respect the sovereign rights of the state and obey national laws and respect international standards [para. 8]</li> <li>▪ Contribute to the realization of the fundamental principles and rights at work [para. 9]</li> <li>▪ Carry out due diligence<sup>29</sup>, taking account of the central role of freedom of association and collective bargaining, industrial relations and social dialogue [para. 10]</li> <li>▪ Consult with government, employers' and workers' organizations to ensure that operations are consistent with national development priorities [para. 11]</li> </ul>
<b>Employment</b>	
<ul style="list-style-type: none"> <li>▪ Declare and pursue, as a major goal, an active policy to promote full, productive and freely chosen employment, and decent work [para. 13]</li> <li>▪ Develop and implement an integrated policy framework to facilitate the transition to the formal economy [para. 21]</li> <li>▪ Establish and maintain, as appropriate, social protection floors within a strategy to progressively ensure higher levels of social security [para. 22]</li> <li>▪ Take effective measures to prevent and eliminate forced labour, provide victims with access to an appropriate remedy, develop a national policy and action plan, and provide guidance and support to employers [para. 23-24]</li> <li>▪ Develop a national policy designed to ensure the affective abolition of child labour, take immediate measures to secure the prohibition and elimination of the worst forms of child labour as a matter of urgency, and progressively raise the minimum age of admission to employment [para. 26]</li> <li>▪ Pursue policies designed to promote equality of opportunity and treatment in employment, with a view to eliminating any discrimination based on race, color, sex, religion, political opinion, national extraction or social origin [para. 28]</li> <li>▪ Promote equal remuneration for men and women workers for work of equal value [para. 29]</li> <li>▪ Never require or encourage multinational enterprises to discriminate and provide guidance, where appropriate, on the avoidance of discrimination [para. 31]</li> <li>▪ Study the impact of multinational enterprises on employment in different industrial sectors [para. 32]</li> <li>▪ In cooperation with multinational and national enterprises, provide income protection for workers whose employment has been terminated [para. 36]</li> </ul>	<ul style="list-style-type: none"> <li>▪ Endeavour to increase employment opportunities and standards, taking the employment policies and objectives of governments into account [para. 16]</li> <li>▪ Before starting operations, consult the competent authorities and the national employers' and workers' organizations in order to keep employment plans, as far as practicable, in harmony with national social development policies [para. 17]</li> <li>▪ Give priority to the employment, occupational development, promotion and advancement of nationals of the host country [para. 18]</li> <li>▪ Use technologies which generate employment, both directly and indirectly; and take part in the development of appropriate technology and adapt technologies to the needs of and characteristics of the host country [para. 19]</li> <li>▪ Build linkages with local enterprises by sourcing local inputs, promoting the local processing of raw materials and local manufacturing of parts and equipment [para. 20]</li> <li>▪ Contribute to the transition to the formal economy [para. 21]</li> <li>▪ Complement and help to stimulate further development of public social security systems [para. 22]</li> <li>▪ Take immediate and effective measures to secure the prohibition and elimination of forced labour in their operations [para. 25]</li> <li>▪ Respect the minimum age of admission to employment and take immediate and effective measures to secure the prohibition and elimination of the worst forms of child labour [para. 27]</li> <li>▪ Be guided by the principle of non-discrimination and make qualifications, skill and experience the basis for recruitment, placement, training and advancement of staff [para. 30]</li> <li>▪ Endeavor to provide stable employment for workers and observe freely negotiated obligations concerning employment stability and social security, promote security of employment, providing reasonable notice of intended changes in operations and avoiding arbitrary dismissal [para. 33-35]</li> </ul>

<sup>29</sup> For a general description of due diligence, see *Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Framework*.

Principles directed to Governments	Principles directed to Enterprises
<b>Training</b>	
<ul style="list-style-type: none"> <li>▪ Develop national policies for vocational training and guidance, closely linked with employment in cooperation with all the parties concerned [para. 37]</li> </ul>	<ul style="list-style-type: none"> <li>▪ Provide training for all levels of workers employed to meet the needs of the enterprise as well as development policies of the country [para. 38]</li> <li>▪ Participate in programmes aiming at encouraging skill formation, lifelong training and development as well as providing vocational training, and make the skilled resource personnel available [para. 39]</li> <li>▪ Afford opportunities within the enterprise for local management to broaden their experience [para. 40]</li> </ul>
<b>Conditions of Work and Life</b>	
<ul style="list-style-type: none"> <li>▪ Endeavour to adopt suitable measures to ensure that lower income groups and less developed areas benefit as much as possible from the activities of multinational enterprises [para. 42]</li> <li>▪ Ensure that both multinational and national enterprises provide adequate safety and health standards and contribute to a preventive safety and health culture, including taking steps to combat violence at work and attention to building safety; and that compensation is provided to workers who have been victims of occupational accidents or diseases [para. 43]</li> </ul>	<ul style="list-style-type: none"> <li>▪ Across their operations, provide wages, benefits and conditions of work not less favorable than those offered by comparable employers in the country concerned, taking into account the general level of wages, the cost of living, social security benefits, economic factors and levels of productivity [para. 41]</li> <li>▪ Maintain highest standards of safety and health at work, make known special hazards and related protective measures associates with new products and processes, provide information on good practice observed in other countries, and play a leading role in the examination of causes of industrial safety and hazards. [para. 44]</li> <li>▪ Cooperate with international and national safety and health organizations, national authorities, workers and their organizations, and incorporate matters of safety and health in agreements with representatives of workers [para. 45-46]</li> </ul>
<b>Industrial Relations</b>	
<ul style="list-style-type: none"> <li>▪ Apply the principles of Convention No. 87, Article 5, in view of the importance, in relation to multinational enterprises, of permitting organizations representing such enterprises or the workers in their employment to affiliate with international organizations of employers and workers of their own choosing [para. 51]</li> <li>▪ Not include in their incentives to attract foreign investment any limitation of the workers' freedom of association or the right to organize and bargain collectively [para. 52]</li> <li>▪ Ensure through judicial, administrative, legislative or other appropriate means that workers whose rights have been violated have access to effective remedy [para. 64]</li> <li>▪ Ensure that voluntary conciliation and arbitration machinery is available free of charge to assist in prevention and settlement of industrial disputes [para. 67]</li> </ul>	<ul style="list-style-type: none"> <li>▪ Throughout their operations, observe standards of industrial relations [para. 47]</li> <li>▪ Respect freedom of association and the right to collective bargaining, provide the facilities and information required for meaningful negotiations [para. 48, 57 and 61]</li> <li>▪ Support representative employers' organizations [para. 50]</li> <li>▪ Provide for regular consultation on matters of mutual concern [para. 63]</li> <li>▪ Use leverage to encourage business partners to provide effective remediation [para. 65]</li> <li>▪ Examine the grievances of worker(s), pursuant to an appropriate procedure [para. 66]</li> <li>▪ Seek to establish voluntary conciliation machinery jointly with representatives and organizations of workers [para. 68]</li> </ul>

Source: ILO