



INTERNATIONAL ORGANISATION OF EMPLOYERS  
ORGANISATION INTERNATIONALE DES EMPLOYEURS  
ORGANIZACION INTERNACIONAL DE EMPLEADORES

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Mr. Zafar Shaheed  
Director  
InFocus Programme on Promoting the Declaration  
International Labour Office  
Route des Morillons 4  
1211 Genève 11

Dear Mr. Shaheed,

The International Organisation of Employers (IOE) continues to support the process of the Annual Follow-up concerning Non-Ratified Fundamental Conventions (“the Annual Review”) under the Declaration on Fundamental Principles and Rights at Work.

This communication intends to give an overview on the efforts the IOE undertook during 2006 and 2007 to promote the Declaration and its four Principles.

For a better explanation, our comments are divided into three parts:

- I. IOE efforts to support the Declaration
- II. IOE initiatives in relation to the four Fundamental Principles
- III. Areas of concern

### **I. IOE efforts to support the Declaration**

The IOE takes this annual opportunity to provide comments within the framework of the Annual Review process to reaffirm its strong commitment to the Declaration. The IOE remains firmly committed to ensuring its success. We have been involved in promoting and supporting the Declaration and the following are some examples of the ways in which our commitment was translated into action.

The IOE continues its efforts to raise further the profile and the utility of the Declaration. The IOE Position Paper on the Declaration, adopted in 2006, guides its work in this respect. We encourage our members to link activities at national level with the Principles of the Declaration and provide it with profile where opportunities arise.

This year, the IOE developed the first edition of its Social and Policy Review. The Review, released in June, covers articles affecting the Declaration in the following ways: migration; social dialogue; ILS and companies; changing legislation in countries to adapt to new realities.

The IOE is currently carrying out a survey among all its members on trends on the workplace. Numerous pieces of information are emerging from this survey that are related to the Declaration and its four Principles: migrants; gender implications; collective bargaining trends.

Ten years after its creation, the Declaration - an instrument created as an initiative of the Employers' Group within the ILO – remains as a relevant tool for employers.

1. *The IOE and the Organisation of American States (OAS) in the Summit of the Americas:*

The XIV Inter-American Conference of Ministers of Labor (IACML) of the Organization of American States (OAS) will take place in September in Trinidad and Tobago where a Declaration “*Making Decent Work Central to Social and Economic Development*” and a Plan of Action are expected to be unveiled.

In preparation for the summit the *Business Technical Advisory Committee on Labor Matters* (CEATAL), one of the advisory bodies IACML, has been involved in a number of preparatory events and activities. The IOE, as the CEATAL coordinator, organizes and coordinates the involvement of its American members in this events and all its preparatory work.

The Declaration “*Making Decent Work Central to Social and Economic Development*” in Paragraph 7 recognizes the vital importance of promoting and realizing the fundamental Principles and reaffirm its commitment to “...promote and realize the principles in respect of the fundamental rights contained in the ILO Declaration on Fundamental Principles and Rights at Work, adopted in 1998 and its Follow-up covering the following areas: a) freedom of association and the effective recognition of the right to collective bargaining; b) the elimination of all forms of forced or compulsory labour; c) the effective abolition of child labour; and d) the elimination of discrimination in respect of employment and occupation”. This Declaration will promote “...the effective enforcement of (...) national labour laws, regulations and standards so as to uphold these principles.”

It is also expected that the XV IACML will take a decision about the document Strategic Guidelines of the XV IACML for Advancing Gender Equality within a Decent Work Framework.

During the XV IACML, workers (COSATE) and employers (CEATAL) once again are expected to issue a joint Declaration, addressed to their governments, highlighting the importance of involving the social partners in the process of addressing social and labour challenges deriving from the Summit Process. It reaffirms the importance of promoting the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up, as the framework of the social dimension of regional integration.

The IOE has been actively involved in all consultations for the elaboration of these documents. It has also coordinated the views of the employers' organizations within the regions in the framework of the activities of CEATAL.

## 2. *The Global Report and ILC Discussions:*

The Global Report and its ILC discussions continue to be viewed by the IOE as effective promotional tools for the Declaration. These discussions represent an excellent opportunity for employers' organizations to become actively engaged in the Declaration, since the issues that are addressed in the Report directly affect many of them.

During the ILO Governing Body session in March, the IOE coordinated a meeting for the Employers' Group to discuss and present the different items of the agenda of the 2007 ILC. A presentation on the Global Report: "Equality at work: Tackling the challenges" was made to the Group to present the views of the Secretariat and, once again, highlight the importance of this debate during the Conference.

On 16 May the IOE organized a meeting with government representatives to share and present the views of the Employers' Group on the different items of the 2007 ILC. A brief presentation on the upcoming discussion of the Global Report was made. The importance of the Declaration for the Employers' Group was once again highlighted.

The IOE, as the Secretariat of the Employers' Group at the ILC, coordinated the participation of ten employer delegates in this year's debate. We worked closely with the employers' spokesperson and the speakers in order to present the views, positions and concerns of employers.

Preparatory work for this debate involved consultations with members, ACT/EMP, the employers' spokesperson, the Declaration department, the Workers' Group, among others. Notes were also prepared for the Employers' Group containing the most relevant points of interest of the Global Report and eventual points of discussion to enrich the debate.

## 3. *Corporate Social Responsibility (CSR):*

The prominence and importance of CSR continue to increase, as did the significance of the Declaration as a useful reference point in the debate.

The IOE, through its CSR Working Group, continues to provide guidance to its members about how to apply and support the Declaration in this context. The Working Group meets three times per year.

The IOE coordinates the participation of its members in the International Organization for Standardization (ISO) Working Group on Social Responsibility. This year the fourth Working Group meeting was held in Sydney, Australia. Information about this meeting was sent to all IOE members and it was also represented at the meeting.

The IOE also coordinated a Conference on CSR in South East Europe. This meeting was held in Belgrade on April 2007. Participants, coming from the Balkan countries, presented different CSR developments in the region.

The IOE, in conjunction with the ILO Bureau for Employers' Activities, organized a sub-regional Forum on corporate social responsibility for IOE members in French speaking Africa. The event was hosted by the Confederation of Malian Employers. The Forum brought together representatives of employers from ten countries to explore initiatives on how employers can respond proactively to the growing debate on CSR. The event also discussed international initiatives such as the Global Compact and the *Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy* and their impact on enterprises at national level. It was also an opportunity to discuss the role of business in society and responses to any moves to legislate CSR.

The 2007 IOE European Members Meeting will be hosted by the Confederation of British Industry from 12 to 15 September in London. During this meeting, participants will discuss the latest developments on CSR, among other issues.

#### 4. *The Global Compact:*

The Global Compact's labour principles are drawn from the ILO Declaration. The IOE continues to be actively involved in the promotion of the Global Compact. In addition, the IOE Secretary-General is member of the Board.

The Global Compact Business Leaders' Summit met in Geneva in early July. The IOE President, Abe Katz, addressed the Plenary with the challenge to better involve SMEs in the Global Compact and highlighted IOE's commitment to the promotion of the Global Compact Principles in SME's. The IOE Secretary-General, Antonio Peñalosa, as a speaker in the labour debate, reminded the employers' compromise the principles as they are an employers driven initiative.

The IOE, in collaboration with the Chilean Confederation of Production and Trade (CPC) and the Spanish Confederation of Employers' Organizations (CEOE), is organizing the 18<sup>th</sup> Meeting of Presidents of Iberoamerican Employers' Organizations in Santiago for early November. One of the main topics of debate will be Corporate Social Responsibility and the Global Compact : Role of Employers' Organizations.

## **II. IOE initiatives in relation to the four Fundamental Principles**

In addition to our involvement in the promotion of the Declaration, we actively promote and support each of the four fundamental Principles. Below are some of our promotional efforts through the year.

- *Freedom of Association and the effective recognition of the right to collective bargaining*

The IOE's main means of engagement in relation to freedom of association remains the Committee on Freedom of the Association (CFA). The IOE continues to work closely with the employer members of the CFA to ensure that the work of the Committee remains relevant to employers.

The IOE continues to assist employers' organizations that do not fully enjoy freedom of association. We provide assistance, guidance and support to ensure that this fundamental principle is respected .

- *The elimination of all forms of forced or compulsory labour*

The IOE actively coordinates the participation of employers in activities concerning the elimination of all forms of forced or compulsory labour.

The IOE has actively been working with the Special Action Programme to combat forced labour on the project "Assessment to capacity building for EOs." Since the beginning of this project, the IOE has been involved in reaching the programmes objectives.

- *The effective abolition of child labour*

The IOE supports the participation of the Employers' Group and the employers' spokesperson of the IPEC Steering Committee.

Recognizing that there were no practical guides specifically drafted for employers to address child labour within their workplaces or their supply chain, the IOE and ACT/EMP worked on a Toolkit for employers. The Toolkit on Child Labour for Employers was released in June.

The Toolkit is divided into a set of three guides designed to help both employers' organizations and individual enterprises to understand the issue and to take appropriate action to tackle it. It provides strategies, along with illustrative examples, for the prevention of child labour, the withdrawal of children from work and the protection of those children who are under the minimum age of employment work.

The first guide provides some definitions to help better comprehend the issues involved. The two subsequent guides explain what can be practically done to combat child labour from the business point of view. Guide two is addressed specifically to enterprises, while guide three concerns the collective role that employers' organizations and other business associations can play in helping their members on this important issue.

- *The elimination of discrimination in respect of employment and occupation*

The IOE is actively involved both directly and indirectly in addressing various forms of discrimination. The following are key examples of our involvement:

The IOE continues to be actively involved in addressing the issue of HIV/AIDS, which is a critical issue with potentially grave consequences for the world of work. It is important to tackle it in regions that are currently severely affected, but HIV/AIDS must also be addressed in regions / areas where it has not yet reached dramatic proportions but has the potential to do so.

Youth Employment continues to be a key feature of the work of the IOE. The IOE has been working jointly with the ILO in the development of a Toolkit which is a compendium of interventions used by the business community globally. Its objective is to be a shared resource on helping generate employment opportunities for young people

### **III. Areas of concern**

Our support for the Declaration, its Follow-up and the four fundamental Principles remain clear throughout our activities. However, as we have done in previous years, we take this opportunity to highlight particular concerns to employers in relation to the Declaration and its Follow-up.

#### *1. National Baselines Analysis*

We strongly support the baseline approach. It represents a creative and innovative way to use the information gathered through the Annual Review. We have reiterated this support during the Governing Body discussions in the framework of the Annual Review.

It is important that this analysis not be allowed to turn into a ranking tool between countries. The baselines should be continued as a useful tool to track the advancement of the efforts of member States over time - not against externally-imposed standards, but against their own progress. Consistent with the spirit and intent of the Declaration, each member State must be allowed to give effect to the four fundamental Principles in a manner that is nationally appropriate.

It remains to be seen what impact these analyses have. The IOE would like to take this opportunity to commend, once again, the Office for its openness to new ways of working.

#### *2. The obligations created under the Declaration*

The assessment under the Annual Review should focus on the steps taken by member States to give effect to the fundamental Principles. This assessment should not involve a discussion of law and practice. The employers repeatedly raise the fact that the Declaration and its Follow-up is a political track, not a legal track like the ILO's regular supervisory

machinery. The political obligations required to promote, achieve and realize the principles under the Declaration must remain distinct from the specific legal obligations undertaken through the ratification of a Convention.

3. *Capacity building of employers' organizations and technical cooperation*

The Declaration can only be effectively promoted within strong constituents. Attention must be paid to using the Declaration Follow-up to build the capacity of employers' organizations to help improve the voice of business and strengthen the spirit of tripartism and social dialogue.

Resources should be set aside for the development of technical cooperation programmes that specifically target employers' organizations. Donors should also be encouraged to devote a portion of their funding towards the capacity building of the social partners.

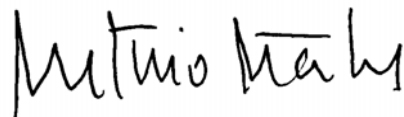
4. *The 10<sup>th</sup> year anniversary of the Declaration*

With every passing year since the adoption of the Declaration in 1998, we continue to learn more about what aspects of its follow-ups are useful and effective in achieving their aims and which aspects demonstrate room for improvement.

The upcoming 10<sup>th</sup> year anniversary of the ILO Declaration in 2008 may present a useful opportunity to address the follow-ups with a view to finding ways to strengthen them. Using what has been learned over the past 10 years may help us to refine follow-ups to ensure that they remain relevant. For its part, the Employers' Group would greatly welcome an opportunity to engage in such a discussion.

The Declaration remains an outstanding example of how the ILO should and can react to pressing social issues through its unique process of consensus-building. We appreciate this opportunity to provide feedback and remain available to answer any questions arising from this document.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Antonio Peñalosa', written in a cursive style.

Antonio Peñalosa  
Secretary-General