

**FOR INFORMATION**

THIRD ITEM ON THE AGENDA

Updates on corporate social responsibility (CSR)-related activities**(a) Within the ILO**

1. This paper summarizes new information on CSR-related activities of the ILO including the International Training Centre of the ILO (Turin Centre). It updates the information provided previously¹ and takes into account suggestions provided by the Subcommittee on Multinational Enterprises in November 2007.²

Enhancing the use of the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (the MNE Declaration)

2. MultiForum07 which took place in Geneva in November 2007 to mark the 30th anniversary of the MNE Declaration provided ample inspiration regarding the way in which the Office should engage in CSR-related activities. Over 200 participants from around the world, including representatives from 50 companies, participated in the unique open discussions between management and workers and breakout sessions looking at specific challenges in the manufacturing, agriculture, extractives and services sectors. The Forum helped raise the profile of the MNE Declaration, and generated conclusions to guide the Office. Participants agreed that the MNE Declaration was unique, had significant potential added value and was more relevant than ever. Forum discussions indicated that successful businesses were giving attention to issues of corporate social responsibility, including a socially responsible approach to labour relations. It was also evident that enterprises were increasingly aware of the positive link between economic and social performance. The usefulness of the MNE Declaration, a voluntary guideline for promoting socially responsible labour practices, was repeatedly discussed and the Office was encouraged to enhance its efforts to promote its use globally.

¹ GB.300/MNE/3/1.

² GB.300/14.

3. The InFocus Initiative on Corporate Social Responsibility (IFI–CSR) officially terminated at the end of 2007. Nevertheless, the Office will continue the IFI–CSR Coordination Group as a mechanism for enhancing the ILO’s capacity to implement CSR-related activities. While the promotion of the MNE Declaration will constitute one of its key objectives, strategies and key activities for the Group will be reviewed to maximize the benefit from this Office-wide structure involving staff from both headquarters and the field.
4. In this regard, the Office will make available reference materials that serve to promote the use of the MNE Declaration as a key instrument for translating its principles into socially responsible labour practices. Staff training will also begin on a pilot basis.
5. Lastly, following the previous biennium, the Office will continue to organize InFocus Forums around key CSR-related topics, to be determined in consultation with the Officers of the Subcommittee.

Updates on CSR-related activities of the Office

6. Newly reported activities include the following: ³

I. Knowledge development

- IPEC published “Rooting out child labour from cocoa farms”, which includes case studies, tools and guidance for community-based child labour monitoring systems. These materials were developed by the West African Cocoa and Commercial Agriculture Project to Combat Hazardous and Exploitive Child Labour, which included funding from the confectionary industry.
- SECTOR has conducted a study on socially responsible labour practices in global hotel chains. A tool kit on social dialogue in the tourism industry is being developed.
- SRO Budapest launched a new ILO publication on company good practices on equal opportunities/diversity management and the Hungarian Business Leaders Forum (HBLF) Code of Corporate Diversity and Inclusiveness.

II. Tripartite and expert meetings

- MULTI, in collaboration with the Ministry of Labour, Employment and Social Security of Argentina, and working closely with ILO Buenos Aires and SRO Santiago, co-organized a seminar entitled “Promoting Decent Work in Argentina through CSR” as part of the 30th anniversary of the MNE Declaration. Over 200 representatives of multinational and national enterprises as well as worker representatives and government officials attended the seminar to debate the role of enterprises in society and identify thematic areas of work for the Ministry’s 2008 Strategic Plan for CSR. MULTI will continue to respond to requests for technical support to country level activities in 2008, including a seminar to be organized in Pakistan.

³ Reporting follows categories identified in GB.295/MNE/2/1 (appendix).

- **SECTOR** organized a Tripartite Meeting on the Impact of Global Food Chains on Employment in Geneva in September 2007.⁴
- **ILO Beijing** and **EMP/ENT** will organize a study tour on the role of government in the promotion of CSR for officials from the Ministry of Labour and Social Security of the People's Republic of China. The study tour will visit the United Kingdom and Switzerland.
- **SRO Santiago** undertook joint ILO–Global Compact workshops on fundamental principles and rights at work in Chile (on freedom of association) and in Argentina (on equality of employment opportunities). Both workshops engaged representatives of enterprises. The event in Argentina was co-hosted by Unión Industrial Argentina (UIA). Furthermore, the Office provided support towards the participation of Colombian employers at the Eighth Biarritz Forum (Chile) which presented an employers' perspective on CSR.
- **SRO Budapest** engaged in a round table discussion organized by the PRIME Public Relations and Communication Association on how CSR could be made an integral part of management strategy, and took an active part in the closing conference of the Hungarian Year of Equal Opportunities for All.
- The ILO organized a special session within the Fifth Inter-American Conference on CSR which was convened by the Inter-American Development Bank (Guatemala). The session highlighted ways in which enterprises are referring to principles underlying international labour standards (ILS) in successfully conducting business and promoting social progress. The ILO, represented by SRO Santiago and MULTI, presented the latest trends on CSR in the world of work and introduced the MNE Declaration. Three business representatives (from the United States, Guatemala and Chile) shared their experiences on how the ILO's principles have guided enterprise behaviour and how good labour practices could help enterprise growth.

III. Promotional activities and technical advisory services

- **IPEC** participated in the conference “Investing for the Future” organized by the Norwegian Ministry of Finance, providing technical advice on the links between child labour and socially responsible investment (SRI). For 2008, a Regional Meeting on CSR and child labour in Latin America will be organized jointly with the Bureau of Employers' Activities. The Meeting will provide a forum for the launch of the Spanish version of the guide for employers on eliminating child labour.
- **DIALOGUE** reported that the Better Work project has obtained funding for a country project in Jordan, finalized project design for Lesotho, and held a second round of consultations with social partners and international buyers in Viet Nam. All of these projects are in the export apparel sector. The project is also producing a set of global tools including an interactive web site; an information management system – STAR (Supply chain Tracking of Assessment and Remediation); enterprise assessment tools and good practice sheets; a modular training programme; a global monitoring and evaluation framework; and other materials that support country projects and contribute to improving labour standards in supply chains more broadly. In 2008, the project will research and scope potential new country projects in agribusiness in Africa and begin adapting global tools as needed to the new industry

⁴ See GB.301/STM/3/1 for details of this Meeting.

sector. The programme will continue to support existing country projects and consider options for adding an additional country project in the apparel sector.

- **ILO Beijing**, in partnership with UNIDO, launched a CSR training project in the Chinese textile industry. The Office also implemented a series of training activities in China including a Training of Trainers workshop for the China National Textile and Apparel Council (CNTAC) and training on workplace cooperation and productivity management in Guangdong and Zhejiang. Further training activities are planned in 2008 on the topics of workplace protection, human resources management and cleaner production and environmental management.
- **SRO Budapest** delivered training in different branches of the Hungarian Postal Office aimed at strengthening the knowledge of the Hungarian Postal Trade Union members on diversity at the workplace and provided tools that allow workers' representatives to effectively participate in the implementation of the company's Equal Opportunity Plan. The Office will continue to work closely with UNDP to explore areas of cooperation within the frameworks of the Global Compact and the EU-funded project on accelerating CSR practices in the new EU Member States and candidate countries as a vehicle for harmonization, competitiveness and social cohesion in the EU.

Updates on CSR-related activities of the International Training Centre of the ILO (Turin Centre)

7. A project management unit was set up to handle the Turin Centre focal initiative on CSR. It includes the managers of the Bureau for Employers' Activities and the Social Dimension of Trade and Investment programme of the Centre, as well as a newly appointed CSR expert.
8. Other units of the Turin Centre, in particular Enterprise Development, International Labour Standards and the Bureau for Workers' Activities have also been involved in this initiative.
9. As recommended by the Subcommittee, the project management unit has started working closely with MULTI and the Bureaux of Employers' and Workers' Activities on the implementation of this training initiative. A series of consultations took place in Geneva (January 2008) and a note on the guiding principles of the initiative has been jointly prepared by the Turin Centre and MULTI and approved by the officials of the Subcommittee.
10. A provisional workplan focuses on the first year of activities (2008). This workplan will be further developed in the coming months.
11. A stocktaking exercise is under way, consisting of the gathering and review of all relevant existing experiences, curricula and materials available at the Turin Centre, the ILO and externally (e.g. Global Compact and OECD Guidelines). The training needs of the actors concerned are also being assessed. These activities will lead to the next stage of the initiative, i.e. the identification of a possible training "niche" in terms of target groups, training products and approach.
12. Based on the outcome of the ongoing review, a more detailed workplan is to be finalized. During the remaining part of the year, the development and adaptation of training materials as well as their preliminary validation should be initiated.

Geneva, 25 February 2008.

Submitted for information.