



Governing Body

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Policy Development Section

POL

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Policy Development Section

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Employment and Social Protection Segment

First item on the agenda

Formalization of the informal economy:

Area of critical importance

(GB.325/POL/1/1)

1. *The Employer spokesperson* noted that work of the area of critical importance (ACI) had contributed to knowledge and experience which had led to the development and adoption of the Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204). His group supported strengthening constituents' capacity to develop and implement policies that facilitated formalization and prevented informalization of formal employment and enterprises. As 90 per cent of small and medium-sized enterprises (SMEs) operated in the informal economy, particular focus should be given to that area. As well as improving the business environment through legislative reform, more emphasis should be placed on better access to finance, markets, lifelong learning and business development services to ensure sustainable enterprises. ILO work had taken a rights-based approach. The emphasis should be more on formalizing enterprises before formalizing jobs. The increasing confusion of non-standard forms of work with informality was concerning. Formalization required a broad approach, looking at economic performance, generating decent jobs, appropriate macroeconomic policies and, above all, an enabling environment for enterprises.
2. The Employers agreed on the need for diverse strategies for formalization, particularly at the national level. The link between the targets of decent work and inclusive growth in Sustainable Development Goal (SDG) 8 was critical, and the ILO should do more to support the formalization of SMEs as part of the 2030 Agenda for Sustainable Development. At the national level, it was important to involve a broad range of actors to ensure coherence and clarity in the transition process. There was a need to mobilize adequate resources for the work ahead.
3. *The Worker spokesperson* said that formalization of the informal economy was very important for his group and required interventions in the policy areas covered by all the ACIs. Most workers in the informal economy were not there by choice, but because of a lack of decent jobs and, in many countries, inadequate levels of social security. Workers in the informal economy were subject to many decent work deficits. The ILO focus on formalization would be an important contribution to the achievement of the SDGs. The ILO should build on the achievements and lessons learned of ACI 6 to give effect to Recommendation No. 204. The Office should continue the work on non-standard forms of employment and informality in the subsequent biennium. They supported the sector-based approach, and called for the focus on domestic workers to be expanded to migrant workers. They encouraged the continuation of the integrated approaches to formalization involving different institutions; the strategic linkages made with ACI 3 on social protection floors; the focus on strengthening compliance with the law; and the work on the role of minimum wages in formalization, which they hoped would receive sufficient resources. While the many areas of intervention were valuable, there was a need to work on an integrated framework for formalization.
4. The Workers agreed on the need to ensure coherence between different types of legislation and the role of macroeconomic, employment and sectoral policies in facilitating formalization and preventing informalization. Employers' and workers' organizations had a key role in addressing gaps in representation in the informal economy, and should be

fully involved in the design, implementation and monitoring of national policies on formalizing the informal economy, consistent with Recommendation No. 204. Effective social dialogue could only happen in an environment that provided for the respect and effective realization of the rights enshrined in the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87), and the Right to Organise and Collective Bargaining Convention, 1949 (No. 98). The Workers urged caution in promoting the “tripartite-plus” formula, given that there were areas where only employers, trade unions and governments had a right to take action; the role of non-governmental organizations must be given careful thought. The Workers supported the draft decision.

5. *Speaking on behalf of the European Union (EU) and its Member States*, a Government representative of the Netherlands said that the former Yugoslav Republic of Macedonia, Montenegro, Serbia, Albania, Norway and Republic of Moldova aligned themselves with the statement. He acknowledged the input provided by ACI 6 to the standard-setting discussion and the link to the 2015 Conference discussion on SMEs. As to the 15 country projects, many of the lessons learned and conclusions were in line with the EU’s position. National circumstances should shape policy responses. Furthermore, the newly adopted SDG 8 should be taken into consideration; the key to success was policy coherence from the design of macroeconomic policies to the adoption of a sound legal framework and informed measures, taking into account workers’ needs. Measures were needed to improve good governance and compliance, ensure the cooperation of tax authorities, the labour inspectorate and social protection agencies, and fight corruption. Coordination of business, tax and social security registries could ensure better coverage of informal enterprises and workers. The role of the social partners should be enhanced. He welcomed the sharing of experiences and good practices in addressing informality effectively and improving the social protection and well-being of workers. The group supported the draft decision, provided that its guidance was taken into consideration.
6. *Speaking on behalf of the Asia and Pacific group (ASPAG)*, a Government representative of the Islamic Republic of Iran welcomed the ILO’s work on the transition to the formal economy, including Recommendation No. 204, which would support the realization of SDG 8. When designing national strategies for facilitating the transition to the formal economy, it was essential to capture local circumstances. He endorsed the proposed strategy and underlined the importance of taking into consideration the work undertaken by ACI 6 and the strong linkages between the eight ACIs. Awareness raising and exchange of good practices should be systematic. New Decent Work Country Programmes (DWCPs) should take account of developments in the transition to the formal economy and national circumstances. Further research into the factors behind the informal economy and how it had evolved over time was needed. The Office should develop tailored technical support to promote data collection. ASPAG also supported the development by the Office of policy-oriented research and tools. Regional Meetings provided good opportunities for knowledge sharing and awareness raising, and South–South cooperation and interregional knowledge exchange played a key role in sharing successful approaches to the transition to the formal economy. The Office should continue promoting cooperation and partnerships with relevant international organizations in that domain. Concerning the follow-up to the resolution, ASPAG favoured conducting the review of the six-year plan of action in 2020.
7. *Speaking on behalf of the BRICS countries (Brazil, Russian Federation, India, China and South Africa)*, a Government representative of the Russian Federation said that his group welcomed ILO work on formalization of the informal economy, in particular the emphasis on including business-enhancing measures in national strategies, strengthening the capacities of the social partners, improving legislation and adapting strategies to national circumstances. The group shared the ILO’s vision on formalization, and welcomed the positive experiences and achievements in India and South Africa. Other BRICS countries had also developed relevant policies and strategies, which they were willing to share with

the ILO and its constituents. BRICS States pursued a threefold approach, as suggested in Recommendation No. 204. For the measurement of informality, data collection and processing by the ILO must be correlated with the activities and methodologies of national statistical institutions. At the meeting of BRICS ministers of labour in the Russian Federation in January 2016, a medium-term labour market formalization strategy would be discussed and the Office's involvement in its preparation was welcomed. The group endorsed the conclusions and the follow-up strategy.

8. *Speaking on behalf of the Africa group*, a Government representative of Chad highlighted the importance of the transition to the formal economy for developing countries, and the need for country-tailored strategies integrated into actions under the other ACIs. Awareness should be raised on the work under the ACIs and of the advantages of moving to the formal economy among key stakeholders. Interregional cooperation to facilitate formalization should be continued. The African Union had also addressed formalization at high-level meetings and was undertaking work in the area. The group supported the draft decision.
9. *A Government representative of India* supported the emphasis on innovative strategies, gender-sensitive analysis and flexibility in strategies for Members. Elements such as the scale, composition and segmentation of the informal economy should be considered when mobilizing resources for country programmes. His Government had modernized laws governing the labour market and working conditions to create an enabling environment for business and provide a large, previously excluded, segment of the workforce with basic labour rights and was also extending access to social security. In the transition to formality, the principles of decent work must remain paramount, and each country should proceed according to its capacity and priorities.
10. *A Government representative of France* said that the adoption of Recommendation No. 204 was a milestone in the ILO's history: it provided a concrete response to addressing the informal economy, in which a majority of workers worldwide worked. The interventions under ACI 6 had contributed to that instrument. France had contributed to the development of a methodological guide intended for labour inspectors in West Africa, the first of its kind, which would soon be available to constituents.
11. *A Government representative of Argentina* said that Argentina had recently experienced great success with reducing non-registered employment, which had fallen by 14.5 percentage points between 2003 and 2012. That had been achieved by making employment central to public policies for inclusive growth, allowing large groups of workers to be brought into the formal economy. Argentina's experience demonstrated that the State was the most effective actor in combating informality. He supported the draft decision, and highlighted two key elements that should shape future strategies: policy interaction to ensure that informal work was tackled in an integrated manner and a positioning of employment as a vital component of citizenship and of a democratic, inclusive society.
12. *A Government representative of Mexico* said that the transition to formality was fundamental to the reduction of inequality and poverty, and to the achievement of sustainable, inclusive growth. His Government had shown support for the ILO's strategy by taking action in line with its own national development plan to: strengthen and expand social protection; improve education for inclusive development; and simplify the process of paying taxes, to encourage businesses to operate formally. Its integrated public policies were aligned with the strategies under ACI 6 and would contribute to Mexico's achievement of SDG 8. Mexico supported the draft decision.

13. *A Government representative of the Russian Federation*, while pointing to the need to identify the causes of informality, also noted that lifelong learning to meet the needs of the labour market should be addressed. Her Government had designed a training plan to address skills shortages. She highlighted other measures taken by her Government to reduce informality.
14. *A Government representative of the United States* supported the proposed strategy to follow up on the resolution and expressed particular appreciation for the technical assistance and expertise that the Office was providing to member States, in the light of the lack of decent work in the informal economy. The efforts to leverage linkages with other ACIs and between global products and activities at the regional and country levels, as well as collaboration with other international organizations, were also welcome. She supported the draft decision.
15. *A representative of the Director-General* (Director, Conditions of Work and Equality Department), acknowledged that lessons learned and Recommendation No. 204 would shape further action in the area. Responding to the Employers' concern of an exclusive rights-based focus in relation to the ILO activities on micro- and small enterprises, she said that the strategies pursued entailed interventions at multiple levels, including both measures to increase productivity and the provision of advice to governments with a view to enabling micro-enterprises to participate in public tenders and to extending social security to workers in micro- and small enterprises. Regarding the Employers' point on the need to avoid confusing non-standard forms of employment and informal employment, she noted that those terms were not synonymous. However, there might be overlaps between the two categories, such as casual work, and the work under the ACI had shown the importance of various policies to address possible deficits in informal workers' entitlements.
16. In response to the Workers' remark regarding a piecemeal approach of interventions which emerged from the Office paper, she indicated that the document sought to illustrate how particular countries had addressed common challenges. However, coherent strategies were pursued at the country level. In countries such as South Africa, India, Senegal, Peru and Dominican Republic, country programme outcomes which addressed different aspects of informality were brought together under an integrated framework for the formalization of the informal economy. Regarding domestic workers, the Office was already working to support migrant domestic workers, but host countries needed to have policies and institutions in place to move national domestic workers into the formal economy before migrant workers could follow suit. She acknowledged that ILO tripartite constituents needed to remain at the forefront of strategies and policies on the formalization of the informal economy, and for the latter to be effective, economic and social policies must be structured so as not to undermine each other's effects. Given the diversity of circumstances in different countries, it was essential to tailor approaches to individual countries.
17. *The Employer spokesperson* said that the definition of "casual work" varied from country to country and could be either informal or formal.
18. *The Worker spokesperson* welcomed Government representatives' commitment to implementing Recommendation No. 204. The process of designing and implementing a national policy framework for formalization called for the involvement of the tripartite constituents. The Office should become more active in offering advice and policy recommendations to Governments. The concept of "tripartite-plus" merited further discussion. Not all non-standard forms of employment were informal, but most of them were precarious. The Office should pursue a country-specific approach to formalization.

Decision

19. *The Governing Body requested the Director-General to take account of its guidance, which builds on the results and conclusions of, and lessons learned from, the work under the ACI on the formalization of the informal economy in order to inform the implementation of outcome 6 of the Programme and Budget for 2016–17 and the follow-up to the resolution concerning efforts to facilitate the transition from the informal to the formal economy.*

(GB.325/POL/1/1, paragraph 27.)

Formalization of the informal economy: Follow-up to the resolution concerning efforts to facilitate the transition from the informal to the formal economy (GB.325/POL/1/2)

20. *The Worker spokesperson* said his group welcomed the adoption of Recommendation No. 204. The challenge at that time was to give effect to its provisions in an integrated and coherent way with the involvement of the social partners. The follow-up strategy broadly reflected the Conference resolution and should integrate lessons learned in the framework of ACI 6 on formalization, taking into account the comments made on the document GB.325/POL/1/1. With respect to the four components of the follow-up strategy, the promotional awareness-raising and advocacy campaign would help members to bring the Recommendation before national authorities, in accordance with article 19(6) of the ILO Constitution. He supported the training activities proposed, including those targeting workers' organizations. He emphasized the importance of the objective set out in Paragraph 1(c) of the Recommendation to prevent the informalization of formal jobs. He said he was glad that the promotion of Recommendation No. 204 would form an integral part of the Office's efforts to promote the ratification and implementation of the ILO instruments listed in the Annex thereto. The success of the formalization strategy would depend on the adoption of an integrated approach to the Decent Work Agenda. He welcomed the incorporation of the transition to the formal economy into DWCPs, however warning that in the past DWCPs had not reflected an integrated approach. With respect to the proposed championing of integrated action on Recommendation No. 204 by ten countries, national workers' and employers' organizations should be involved in the design, implementation and monitoring of that action. Transition policies must pay particular attention to the rights of migrant workers. He welcomed the proposed development and incorporation of modules on Recommendation No. 204 in regular courses on employment policy and social protection offered by the Turin Centre, and requested the Office to ensure funding to enable members of workers' and employers' organizations to attend the Turin Academy on the formalization of the informal economy. He welcomed the fact that the 13th African Regional Meeting in Addis Ababa would be the first such meeting to discuss the transition to the formal economy and that preparation for other regional meetings was under way. Recommendation No. 204 would play an important role in implementing the 2030 Agenda for Sustainable Development. It would be worth exploring the proposal for an international multi-stakeholder advisory board for advocacy and to support action to give effect to the Recommendation. Partnerships and cooperation with international forums relating to environmental issues should be considered. A General Survey on Recommendation No. 204 in 2020 needed further consideration. The Workers approved the draft decision.

21. *The Employer spokesperson* said that follow-up action giving effect to the resolution was a priority for the Employers' group and welcomed the fact that the key issues of the resolution were addressed in the proposed plan of action by the Office. He called on the Office to give special focus to measures at the national level in line with the conclusions concerning the promotion of sustainable enterprises adopted by the International Labour Conference in 2007. There was a need for an inclusive growth strategy that would promote the expansion of the formal economy and decent and productive employment, conducive business and investment environments and access to land and property rights. Barriers to the transition to the formal economy, such as those relating to registration, taxation and compliance with laws and regulations, should be reduced. Micro-, small and medium-sized enterprises should be promoted. Access to education, lifelong learning and skills development and to financial and business development services, as well as to markets, infrastructure and technology, should be promoted. His group endorsed the draft decision.
22. *Speaking on behalf of the EU and its Member States*, a Government representative of the Netherlands said the former Yugoslav Republic of Macedonia, as well as Montenegro, Serbia and Republic of Moldova aligned themselves with his statement. The four interrelated components of the follow-up strategy 2016–21 struck a good balance between promotion, capacity building, knowledge development and international cooperation and should take account of the lessons learned from ACI 6. He welcomed the proposed promotional and advocacy campaign and encouraged the Office to address others beyond its tripartite constituency. In order to avoid excluding workers in informal situations, promotional materials should allow for linguistic diversity among them and strive for targeted actions to include them and their organizations. He noted with interest the proposed pilot programme for ten countries across the regions, which would provide case studies that would eventually be scaled up and replicated. The proposal to place an item on transition to the formal economy on the agenda of regional meetings was useful and he welcomed further consultations with respect to the forthcoming European meeting. The ILO's efforts to give prominence to Recommendation No. 204 in the implementation of SDGs 1, 8 and 10 of the 2030 Agenda were welcome. The possibility of a future General Survey under article 19 of the ILO Constitution called for further reflection. The EU and its Member States would continue to support the Decent Work Agenda at the global level. The Recommendation together with the proposed action plan was a substantial contribution in that regard. He supported the draft decision.
23. *Speaking on behalf of the Africa group*, a Government representative of Ghana said the group welcomed the proposed comprehensive strategy for Office action and considered it was timely, commendable and guided by the needs of tripartite constituents. The group supported its focus on key strategic areas of awareness-raising and advocacy campaigns, building constituents' capacity at the country level, regional and global knowledge sharing, knowledge development and dissemination and international cooperation and partnerships. Creating awareness and building capacity was highly relevant for her region. The guidance contained in Recommendation No. 204 would be relevant for the region if adapted to suit the different needs of its member States. She supported the six-year plan of action, and hoped it would be implemented in synergy with the other nine outcomes, the three cross-cutting issues and the follow-up action on relevant Conference resolutions. In line with SDG 8 of the 2030 Agenda, the proposed strategy was a useful tool for the effective implementation of the Recommendation. She called for periodic reviews of progress made, and expressed support for the draft decision.
24. *Speaking on behalf of the Arab group*, a Government representative of Sudan said Recommendation No. 204 was relevant for millions of workers worldwide. The proposed strategy would need updating to reflect changes over the six-year period to 2021. The implementation of new national legislation to facilitate the transition to the formal economy, taking into account the different economic situations in different countries,

should be facilitated. The fact that the Recommendation had been adopted in the same year as the 2030 Agenda was a fortunate coincidence that should be taken advantage of in pressing for decent work.

25. *Speaking on behalf of the group of Latin American and Caribbean countries (GRULAC)*, a Government representative of Mexico said all GRULAC countries were affected by informal employment, which involved at least 130 million people. An integrated strategy was needed to tackle the underlying causes and to combat poverty and social exclusion. He welcomed the adoption of Recommendation No. 204, supported the proposed follow-up strategy and considered that the ILO Programme for the Promotion of Formalization in Latin America and the Caribbean (FORLAC) could be of great assistance in the region. He supported the Office's proposal to include the question of the transition to the formal economy on the agenda of the 19th American Regional Meeting in 2018. The strategy would also be essential for the implementation of the 2030 Agenda, especially SDG 8.3. He supported the draft decision.
26. *A Government representative of India* requested the Office to ensure that the statements made by the representative of the Islamic Republic of Iran on behalf of ASPAG and by India under agenda item 1/1 were also reflected under agenda item 1/2.
27. *A Government representative of Panama* outlined various government actions to reduce levels of informality through innovative and effective policies that created decent jobs, detailing some. He called on the Office to create a platform for the exchange of good practices on the transition to the formal economy and the implementation of Recommendation No. 204. Informal work affected millions and was a matter of concern for all; its underlying causes were best tackled by means of an integrated strategy.
28. *A Government representative of Cambodia* said his country was making changes in line with Recommendation No. 204, including through a national strategy for growth, employment, equity and efficiency. The ten-year national employment policy launched in October 2015 would facilitate the transition to the formal economy. He supported the draft decision.
29. *A Government representative of Lesotho* noted the interlinkages between Recommendation No. 204 and SDG 8. He emphasized the serious challenge posed by the informalization of jobs in the formal sector, and urged the Office to facilitate the sharing of knowledge and experience within and across regions.
30. *A Government representative of Thailand* said Thailand's multiple efforts to formalize economic activity included the implementation of legislation on homeworkers and the extension of social protection to a greater proportion of the population. The four interrelated components of the strategy proposed by the Office would support action by constituents at the national level to implement Recommendation No. 204. Thailand supported the draft decision.
31. *A Government representative of Mexico* said he welcomed the integrated and coherent strategies for promoting formalization set out in the follow-up strategy proposed by the Office and supported its four interrelated components. With respect to the championing of the integrated strategy by ten countries, he welcomed the implementation of the strategy in Mexico supported by ILO technical assistance. Mexico supported the proposal to evaluate the strategy in 2020 and to include formalization on the agenda of the 19th American Regional Meeting; doing so would support the FORLAC programme. He supported partnerships and collaboration with other organizations as well as between different parts of the ILO, including the Bureau for Workers' Activities (ACTRAV), the Bureau for

Employers' Activities (ACT/EMP) and the Turin Centre. Mexico supported the draft decision.

32. *A Government representative of the Dominican Republic* said a national employment plan and a covenant agreed jointly with the social partners had contributed to increasing social inclusion in her country. Statistics indicated that levels of informality in the economy had been measurably reduced. The Dominican Republic had recently ratified four relevant ILO Conventions. It applauded the ILO's proactive stance on formalization and supported the draft decision.
33. *A Government representative of Indonesia* said awareness-raising activities should also target the general public, and that the Office could assist constituents in developing strategies for conducting such activities. Evidence-based information about what works for formalization should be made available. It was appropriate to include the topic on the agenda of ILO regional meetings and in the report of the Director-General. Indonesia was ready to provide support in that regard as the host of the next Asia and the Pacific Regional Meeting.
34. *A Government representative of Bangladesh* said the recent adoption of new labour legislation and insurance schemes had helped to formalize some informal economic activities in his country. He urged the Office to provide tailored technical assistance for skills development programmes, which would serve as a catalyst for formalization. Supporting the strategic plan of action, he noted that it should also consider the needs of workers exposed to environmental risks, natural disasters and the effects of climate change. Bangladesh supported the draft decision.
35. *A representative of the Director-General* (Director, Employment Policy Department) thanked all delegates for their comments on and endorsement of the strategy, with its four interrelated components, proposed by the Office to follow up on Recommendation No. 204. The strategy provided practical guidance on and a systematic approach to integrating various formalization efforts by constituents, and by the Office in support of constituents. She noted that the guidance given by tripartite constituents emphasized the need for integrated strategies that pursued the three elements of Recommendation No. 204 – namely, promoting job creation in the formal economy, preventing further informalization of those in the formal economy, and the need to support the transition to the formal economy of those in the informal economy – simultaneously. However, it should be noted that the pursuit of integrated strategies at the national level posed a considerable challenge. Labour ministries and social partners played a key role, proactively proposing and coordinating a process of coherent and integrated strategy-setting for the transition to the formal economy and engaging the support of other ministries and institutions. The interest shown in, and approval given to, the proposal to provide support to ten champion countries was most encouraging. She thanked countries that had offered to pilot the implementation and indicated that the full list would be made available after further consultations. Work on ACI 6 would continue, taking into account lessons learned from its implementation; the comments made in that regard during discussion of agenda item 1/1 had been duly noted. Already in 2015 and since its adoption, Recommendation No. 204 had been introduced at several regional and global knowledge-sharing events organized under the aegis of ACI 6. The need for coherence and synergy across Programme and Budget outcomes would be ensured in Office action. In response to a question from ASPAG, she said that 2020 had been considered an appropriate time at which the Governing Body could review lessons learned and reorient and update the strategy. Since the proposal had been met with approval, it would be proposed through the usual channels. She noted the extensive comments on and the support for reaching out to regional and international partners with regard to Recommendation No. 204, including in the context of the implementation of the 2030 SDGs. Efforts to start that process had been

successful, including the presentation of Recommendation No. 204 to the Second Committee of the United Nations General Assembly, and its discussion with the World Bank, the Group of Twenty (G20) and the BRICS countries. The idea of setting up a multi-stakeholder group on transition to the formal economy at the global level would be explored. Responding to the Workers' questions, she indicated that migrants would be a key focus of future work on formalization and that fundraising efforts would be pursued to facilitate the participation of workers and employers in the Turin Academy and other courses dealing with transition to the formal economy. With respect to the emphasis laid by the Employers and several governments, she added that action at the country level would give due importance to the nexus of sustainable enterprises, economic development, productivity and skills development as part of the integrated strategy.

36. *The Worker spokesperson* underscored that the Workers' and Employers' groups and ACTRAV and ACT/EMP should be involved in the finalization of the list of ten champion countries. The process in Recommendation No. 204 whereby workers in the informal economy were to be represented had been carefully negotiated; it was important that the tripartite process was respected, and the Office should ensure that national governments were made aware of the mechanism set under Recommendation No. 204. An item on transition to the formal economy should be included on the agenda of the next European Regional Meeting and efforts on formalization in Europe should take into account the needs of countries outside the EU.
37. *The Employer spokesperson* said he looked forward to the consistent, comprehensive and inclusive implementation of follow-up action to Recommendation No. 204. The Employers' group supported the draft decision, on the understanding that the point it had highlighted earlier in the meeting would be taken into account by the Office when implementing the follow-up strategy.

Decision

38. *The Governing Body requested the Director-General to:*

- (a) *take into account its guidance in pursuing the plan of action for the implementation of the Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204), and to draw on it when preparing future programme and budget proposals and in developing resource mobilization initiatives; and*
- (b) *communicate the resolution concerning efforts to facilitate the transition from the informal to the formal economy in the standard manner to the governments of member States, and through them to the national employers' and workers' organizations and, also, to partner agencies in the multilateral system.*

(GB.325/POL/1/2, paragraph 50.)

Second item on the agenda

Indigenous peoples' rights for inclusive and sustainable development

(GB.325/POL/2)

39. *The Employer spokesperson* said that two immediate challenges for the ILO were improving understanding of the contents and scope of the Indigenous and Tribal Peoples Convention, 1989 (No. 169) within the UN system, and strengthening institutional dialogue, consultation and participation mechanisms. For it to be considered as an instrument of social dialogue contributing to the 2030 Agenda for Sustainable Development, the Convention should be seen to both protect and promote the rights of indigenous peoples, and to create an economic and social environment favourable to investments and the creation of decent and productive jobs and benefiting both indigenous peoples and society as a whole. A revision of the *Handbook for ILO Tripartite Constituents* on Convention No. 169 and more training and promotion activities to improve understanding should be envisaged. Thus, the group supported country and regional programmes and any interregional training courses organized by the Turin Centre; and the initiative to draft ILO guidelines and compile good practices. Related activities should involve ACT/EMP and ACTRAV. Clarification was needed regarding the responsibilities created by the Convention, in particular regarding consultation and participation. The Convention clearly made States responsible for conducting consultations and under Article 6 of the Convention, the aim of consultation was to attempt to achieve agreement or consent to proposed measures. However, many stakeholders disseminated the idea of “free, prior and informed consent”, interpreted as a right to veto, in clear contradiction with the Convention. The Office support should assist in establishing real and substantial consultation procedures and highlight examples of good practice to dispel misunderstandings. He observed with concern the problems regarding the identification of representative institutions of indigenous and tribal peoples. Governments and the ILO supervisory bodies needed to be aware of the direct impact of that on consultation activities and the ILO’s strategy should promote consultations with clearly defined authentic representative institutions of indigenous peoples. Referring to the regional report prepared by ACT/EMP which examined the functioning of procedures for prior consultation in connection with investment projects in some Latin American countries, his group requested it to be widely disseminated by the Office. The ILO should reclaim a leading role in providing Members with practical solutions and comparative experiences to develop appropriate regulatory and institutional frameworks for consultation in line with the Convention.
40. The strategy should explore areas of action referred to in the Convention, such as vocational training and education, which had not been given sufficient attention. Concerning partnerships, the ILO as an active member of the Inter-agency Support Group on Indigenous Issues should present with clarity the Convention including the difficulties related to its application and should assume a leadership role to ensure a coherent approach. He supported continued collaboration with the UN Working Group on Business and Human Rights and the Global Compact and noted that ACT/EMP should also be involved. ILO publications for the promotion of Convention No. 169 should highlight its importance for the private sector, and the need for national frameworks for sustainable enterprises; identify good and bad implementation practices by States; and recognize the fundamental role of employers’ organizations in national social dialogue, and of the International Organisation of Employers in any process to review documents, strategies and mechanisms to promote the Convention. His group supported the draft decision and proposed that the Office present the 326th Session of the Governing Body with an action plan addressing the concerns raised by his group and the budgetary and resource

mobilization requirements to implement it. The Office should also keep the Governing Body informed of its partnerships with other agencies and invite it to provide guidance with a view to establishing the ILO as a leader in the protection of indigenous peoples' rights.

41. *The Worker spokesperson*, exposing the plight of indigenous peoples, said that recent commitments to indigenous peoples' rights, such as at the World Conference and in the 2030 Agenda, and the levels of exploitation and discrimination that they still suffered fully justified the ILO's enhanced action in the area. Although the Office identified some key areas of discrimination, it should continue to work on multiple forms of discrimination as defined in the Discrimination (Employment and Occupation) Convention, 1958 (No. 111). She supported the seven elements of the ILO's strategy. The ILO should promote ratification to cover regions with low rates of ratification, focusing on countries with large indigenous communities. The strategy should promote a rights-based approach to development for indigenous peoples. A number of ILO standards, if ratified and implemented, would go a long way to improving the living and working conditions of indigenous peoples. Indigenous groups should also be included in the work on sustainable development and green jobs. Synergies should be taken into account in the Office's future strategy and under outcome 2 of the Programme and Budget for 2016–17, in particular with regard to its technical assistance for ratification and implementation. Another key area of action concerned addressing the absence of appropriate legal and institutional frameworks for consultation and participation. Progress could be made on the basis of comments provided by constituents, namely national trade unions. Capacity building and building self-sufficiency for ongoing training and knowledge development were key. In seeking to help indigenous peoples realize their rights and promote respect for their traditional livelihood activities, market-based economy approaches had proved to be limited and more work should be done through cooperatives and the social economy. Recommendation No. 204 would provide useful guidance. The group supported extending work on social protection, with a particular focus on indigenous and tribal women. The Office should use guidance provided by the ILO MNE Declaration to promote respect for indigenous peoples' rights in multinational enterprises. Lastly, the Office should make sufficient resources available from its regular budget to achieve the strategy's goals. She called on donors to provide the necessary funds with a view to building on the renewed global interest for the promotion and protection of the rights of indigenous and tribal peoples.
42. *Speaking on behalf of the EU and its Member States*, a Government representative of the Netherlands said that the following countries aligned themselves with the statement: Albania, Serbia and the Republic of Moldova. The rights of indigenous peoples, as defined by the UN Declaration on the Rights of Indigenous Peoples (UNDRIP), was an important element of the EU's human rights policy. The EU supported the outcome document of the World Conference and recognized the crucial role of the ILO and its Convention No. 169. In view of the continued vulnerability of, and discrimination against, indigenous peoples, the EU welcomed the ILO proposal to strengthen institutionalized dialogue with such groups to shape key public policies. It was essential to protect indigenous workers from unacceptable forms of work – often in the informal economy – and to include them in the implementation of the Decent Work Agenda. Due diligence processes should include respect for indigenous peoples' rights. In particular, the EU was committed to the empowerment of women and girls and welcomed the ILO's proposals for relevant interventions. It supported the ILO's initiative to step up its efforts and reinforce its role to promote indigenous peoples' access to inclusive and sustainable development.
43. *A Government representative of Mexico* said that the following countries aligned themselves with the statement: Argentina, Plurinational State of Bolivia, Brazil, Chile, Colombia, Cuba, Dominican Republic, Ecuador, El Salvador, Guatemala, Mexico, Peru,

Spain and the Bolivarian Republic of Venezuela. He supported the strategy presented by the Office. ILO support towards implementation should be tailored to the conditions in each country. A solid knowledge base was crucial in taking informed decisions and the ILO should promote the development and consolidation of national capacity to collect and analyse data. ILO activities funded with extra-budgetary resources should be aligned with its strategic priorities and coordinated under an effective, transparent and inclusive system of governance. He supported the draft decision.

44. A *Government representative of Norway* urged other member States to ratify Convention No. 169 and highlighted some aspects of Norway's experience. The Sami parliament was the representative political body for the Sami people, the indigenous people of Norway. The Sami parliament and the Government agreed on procedures on how to carry out consultations in accordance with Article 6 of Convention No. 169. Government authorities were also obliged to consult with other Sami interest groups. Consultations had enabled the Sami parliament to strengthen its position as a representative voice for the Sami people and had also enhanced dialogue and awareness of Sami issues among the authorities. The Finnmark Act, adopted in accordance with Part II of the Convention, recognized that the Sami people and others had acquired rights to land and natural resources, and established a special commission to map those rights. She supported the draft decision.
45. A *Government representative of Botswana* said that most of the people in African countries were indigenous and tribal peoples, with different levels of development. Traditional livelihood methods were not sufficient to prevent abject poverty. A lack of integration and empowerment required a multifaceted approach, based on education, knowledge-sharing and participatory interventions, to enable indigenous people to use traditional knowledge to support sustainable livelihoods. He welcomed the focus on new income-generating activities and supported the draft decision.
46. A *Government representative of the Russian Federation* highlighted her country's experience. Its legal provisions protected the quality of life of indigenous peoples, established a special legal status for them and allowed them to maintain their traditions. The development of indigenous peoples was reflected in a number of major strategic and conceptual documents. One included measures relating to, among other things, improving quality of life, preserving cultural heritage and developing cooperation among indigenous peoples. Budgetary provisions to support state policies on indigenous peoples were made available to administrative areas. An independent institution for indigenous peoples' rights had been created and, in 2015, a federal body focusing on issues of ethnic groups was established. She supported the strategy for ILO action.
47. A *Government representative of Colombia* said that her Government had established an organizational structure that promoted and guaranteed the participation of ethnic communities in government decisions that directly affected the integrity of their territory, identity and autonomy. To that end, there was a large body of legislation and jurisprudence. The Government had set up a process of prior consultation regarding plans for the exploration or exploitation of natural resources on indigenous territories. In practice, consultation processes led to agreements in most cases. Consultation with and participation of indigenous and tribal peoples were crucial for enhancing policy coherence, reconciling different interests, achieving agreements and creating favourable environments for development. A standing consultation committee had been set up to allow indigenous peoples to consult with the State on all administrative and legal decisions likely to affect them. She supported the draft decision.
48. A *Government representative of Argentina* said that it was governments' responsibility to take, with the participation of indigenous peoples, coordinated action to protect the rights of indigenous peoples. An active policy to increase the number of ratifications of the

Convention was called for. Argentina's Constitution and the act ratifying Convention No. 169 recognized indigenous peoples' rights and the council for indigenous participation, together with the indigenous territorial organizations, had sought the adoption of three fundamental laws. The Code of Civil and Commercial Procedure provided for tools to enforce indigenous peoples' constitutional rights. Argentina's experience could contribute to the strategy for ILO action. In the light of the report of the Working Group on the issue of human rights and transnational corporations and other business enterprises, the ILO was requested to include activities to protect indigenous workers. He supported the draft decision.

49. *A Government representative of Mexico* highlighted the relevance of ILO work in light of the SDGs and supported the general thrust of the strategy and the need for inclusive dialogue. Mexico's National Development Plan 2013–18 contained actions to help harmonize the national legal framework regarding indigenous rights; recognize and protect indigenous cultural heritage; promote the participation of indigenous peoples in planning and managing the development of their communities; promote their economic development; and promote action to guarantee the human rights of nomadic indigenous groups. The Office should facilitate the sharing of national experiences. In Mexico the guiding principles of the Convention had led to successfully developing mechanisms to ensure consultation with indigenous peoples. Mexico was prepared to share its experiences to strengthen the strategy for ILO action. He supported the draft decision.
50. *A representative of the Director-General* (Director, Conditions of Work and Equality Department) noted the tripartite support for the ILO's work in the area and thanked the Governments for sharing their practical experiences. She welcomed the requests to strengthen the Office's work, to collect and disseminate good practices and improve communications strategies, with the involvement of the tripartite constituents. While the UN system increasingly relied on the UNDRIP as an overarching framework, it was indeed important for the ILO to emphasize Convention No. 169. In the context of the UN Indigenous Peoples' Partnership (UNIPP), the ILO had successfully worked with other UN agencies to give practical effect to the human rights of indigenous peoples. The UNIPP relied on both the UNDRIP and Convention No. 169, seeking to promote coherence. Both instruments promoted consultations with a view to achieving agreement or consent. The programme and budget proposals for the following biennium anticipated a number of actions relating to indigenous peoples including in connection with protection from unacceptable forms of work and informal work. In addition, as called for in the draft decision, the Office would seek to mobilize extra-budgetary funds.
51. *The Employer spokesperson* hoped that a detailed action plan setting out the allocation of resources would be available at the Governing Body session in March. He called on potential donors to support the strategy.
52. *The Worker spokesperson* said that her group did not see a need to review the Handbook at that juncture. Multiple ways of disseminating information should be considered. There was no need to restrict the definition of consultation with indigenous groups. One of the most frequent complaints regarding the implementation of the Convention was the lack of proper dialogue. Work should now be allowed to develop and a review of the strategy could take place at a later stage.

Decision

53. The Governing Body:

- (a) advised the Office on how to modify, improve or complement the strategy for ILO action concerning indigenous and tribal peoples; and*
- (b) requested the Director-General to take into consideration the strategy and the guidance given in the discussion in the implementation of the Programme and Budget for 2016–17, in preparing the next strategic framework and future programme and budget proposals, and in facilitating extra-budgetary resources.*

(GB.325/POL/2, paragraph 29.)

Third item on the agenda

Outcome of the Tripartite Meeting of Experts on Sustainable Development, Decent Work and Green Jobs

(GB.325/POL/3)

- 54.** *The Worker spokesperson* commended the work done by the experts on the Guidelines for a just transition towards environmentally sustainable economies and societies for all. The Office should play an active role in discussions and in shaping the outcome of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP21) in Paris (30 November–11 December 2015). At the COP21, the Director-General should highlight the importance of the Guidelines for implementation of the expected climate agreement in advance of its adoption. The Office should proactively promote the Guidelines also in relation to the 2030 Agenda for Sustainable Development. Her group had been calling for the development of an instrument on a just transition with a view to sustainable development and viewed the Guidelines as a first step towards such a standard. The Guidelines reflected guidance provided by the 2013 ILC Conclusions on achieving decent work, green jobs and sustainable development (2013 Conclusions). They should be implemented in light of the relevant labour standards and of Recommendation No. 204. In giving practical effect to the Guidelines, she stressed the importance of workers' and employers' organizations as agents of change. She supported a review in 2018 of lessons learned following the application of the Guidelines. Her group supported the draft decision.
- 55.** *The Employer spokesperson* noted that the Guidelines respected the mandate set out by the 2013 conclusions and had been agreed upon through due consultation. During implementation of the Guidelines, the specific circumstances and capacities of each country must be borne in mind; a policy balance between the social, economic and environmental dimensions must be found; existing industries must be protected, to the extent possible, in the transition to environmentally sustainable economies; and the impact of the transition on employees must be considered. An enabling environment for sustainable enterprises was essential. A just transition was one that also drove enterprise growth. Workers and employers shared many objectives, including minimizing disruption and maintaining and improving sustainable enterprises, jobs and economies. Labour markets must be flexible enough to allow employers to undergo transition without unnecessarily destroying their capital and their capacity to employ workers. The

international labour standards and resolutions annexed to the Guidelines could be relevant to a just transition framework. However, it was important to avoid “reinventing the wheel” in reaching for new standards that would hinder ownership by stakeholders. He noted the timeliness of the Guidelines with a view to their consideration in the context of the 2030 SDA and the upcoming COP21. He urged that follow-up action should be programmed by the Office within its strategic planning. He called on the Office to design and provide technical support and capacity-building programmes, so that constituents could contribute effectively to implementation at the national level. His group requested information on the Office’s resource mobilization strategy for implementation of the follow-up. He endorsed the draft decision.

- 56.** *Speaking on behalf of the Africa group*, a Government representative of Ghana welcomed the outcome of the Meeting of Experts. She commended the Organization’s work through the Green Jobs Initiative and highlighted the contribution to the Partnership for Action on Green Economy (PAGE), which identified the green economy as a vehicle for sustainable development and poverty eradication, and she welcomed the first global Academy on the Green Economy, organized by the Turin Centre in October 2014. Referring to paragraph 8 of the report which called for a dedicated resource mobilization strategy, she drew attention to former United Nations Secretary-General Kofi Annan’s call for the international community to provide financial resources and technologies to help poorer countries adapt to the impacts of climate change and cut emissions by making a transition to a low-carbon future. Her group supported the draft decision.
- 57.** *Speaking on behalf of the group of industrialized market economy countries (IMEC)*, a Government representative of the United States said that the non-binding Guidelines offered a wide range of options for governments and social partners to consider. The 2013 conclusions considered decent work as essential for sustainable development, thus the Office had an important role to play in helping States to implement the decent work elements of the 2030 SDA and helping workers and enterprises to address the employment and labour-related aspects of climate change. While IMEC did not object to the experts’ request that the Governing Body take note of the Guidelines, it was not in a position to endorse them as called for in the draft decision. The report, which had been issued only three days previously, required analysis by a wide range of government agencies given the breadth of topics covered in the guidelines. She therefore proposed that the word “endorse” should be deleted and replaced by “and” in the first paragraph of the draft decision.
- 58.** *Speaking on behalf of the EU and its Member States*, a Government representative of the Netherlands said that Albania, Republic of Moldova, Montenegro, Serbia and the former Yugoslav Republic of Macedonia aligned themselves with his statement. The EU supported the amendment proposed by IMEC. The Guidelines which provided clear direction for constituents and the Office, were in line with the Europe 2020 Strategy, the EU Member States’ international commitments towards smart, inclusive and sustainable growth and were relevant in view of the forthcoming European Agenda for new skills and jobs. Transition to a green economy would require the anticipation of skill needs and targeted interventions to enable the workforce to adapt, taking into account the labour market implications of job creation (and loss) and the need for structural adjustments to avoid social inequalities. National curricula and training qualifications must be aligned with emerging labour market needs, and common standards for competences would be needed. The Sector Skills Alliances, adopted by the European Commission in 2015, would take green skills into account and might be useful to other governments. Welcoming the inclusion of social protection in the Guidelines, he recalled the importance of well-designed social protection and inclusion policies and systems, including floors, in facilitating transition to a green economy. He noted that the Guidelines could be used to support implementation of the 2030 SDA.

59. *Speaking on behalf of GRULAC*, a Government representative of Mexico noted that the Guidelines took into account the principles included in the 2013 Conclusions and the three pillars of sustainable development. The prospects for South–South cooperation on issues such as climate change-resistant crops, biofuels, natural resource restoration and reforestation, areas directly related to the Guidelines, were promising. It was clear that the States who had participated in the relevant discussions had borne in mind their shared but differentiated responsibilities and varying capacities; solidarity among nations and willingness to engage in social dialogue would be essential during the implementation phase.
60. *A Government representative of Cambodia* said that the Guidelines were in line with his Government’s Rectangular Strategy for Growth, Employment, Equity and Efficiency, National Employment Policy 2015–25, DWCP 2011–15 and National Social Protection Strategy for the Poor and Vulnerable. With ILO assistance, Cambodia had been working to mainstream green jobs into the economy, particularly the tourist sector.
61. *A Government representative of the Russian Federation* said that to ensure sustainable development and social stability, her country had prioritized reducing labour market tension, optimizing staff numbers, increasing effective employment and helping small and medium-sized businesses. She detailed some measures taken to stabilize the labour market and reduce unemployment. Measures had also been taken to ensure that workers could receive payments when their employers went bankrupt, in line with the Protection of Workers’ Claims (Employer’s Insolvency) Convention, 1992 (No. 173).
62. *A Government representative of Mexico* highlighted the relevance of the Guidelines for the achievement of the SDGs. Coherent economic, social and environmental policies and a clear action framework were needed for the transition to the green economy to be successful. His Government noted with interest the importance given in the Guidelines to policy coherence and was committed to drawing up public policies that promoted environmentally sustainable economies and societies. Mexico’s intersectoral committee on climate change was promoting cooperation between the public, social and private sectors in relation to green jobs and related topics. His country was committed to boosting inclusive economic growth that preserved its natural resources while generating wealth, competition, decent work and green jobs. He supported the draft decision.
63. *A Government representative of Kenya* said that culture and traditions needed to be handled with sensitivity, particularly when greening initiatives changed people’s ways of life. Those affected needed to be offered win–win options through open consultation, participation and inclusion in structured dialogue. Integration with existing projects and programmes was critical. The informal economy also needed to be handled carefully. Investment in obsolete technology could be avoided through knowledge management and the dissemination of international best practices. Macroeconomic and growth policies, aligned with active labour market dynamics, must be effective drivers for mainstreaming green economies. He supported the draft decision.
64. *A Government representative of Zimbabwe* noted with satisfaction that the guiding principles set out in the Guidelines acknowledged the need for social dialogue and for policies that respected and promoted fundamental principles and rights at work. He supported the original draft decision, stressing the importance of the word “endorse”.
65. *A Government representative of China* said that his country had recently adopted a five-year plan for national economic and social development which put forward the concept of green development. A regional seminar on green jobs had been held by the Ministry of Labour and Social Security and the ILO Country Office for China and Mongolia, at which Asian countries had exchanged national practices and lessons learned on transitioning to

green economies and generating green jobs. He looked forward to cooperating with the ILO to put into effect the relevant parts of the Guidelines.

66. *A representative of the Director-General* (Director, Enterprises Department) was reassured and encouraged by the Governing Body's observations. Policy coherence had been a main concern because it had been an obstacle to sustainable development in the past. Acknowledging the need for the Guidelines to be applied within specific national contexts, he hoped that the work being done by the Office in the context of ACI 4 and of PAGE met the expectations of constituents. Regarding resource mobilization, efforts to complement the regular budget with extra-budgetary resources had borne some fruit and would be pursued. The Director-General was to attend COP21 and a number of side events were scheduled that would focus on the mandate and concerns of the ILO, including the question of skills.
67. *The Worker spokesperson* suggested a subamendment to the amendment proposed by IMEC. The Meeting of Experts had done a good job in developing the Guidelines, and the Governing Body had to make sure that they were available, given some authority and used.
68. *The Employer spokesperson* supported the view of the Worker spokesperson.
69. *Speaking on behalf of Canada, Denmark, Finland, Netherlands, Norway, Sweden and the United Kingdom*, a Government representative of the United States also supported the proposal made by the Worker spokesperson.
70. *Speaking on behalf of the Africa group*, a Government representative of Zimbabwe supported the original draft decision.
71. *A Government representative of Brazil* said that the recommendations made by the Meeting of Experts were still valid, even if they were not explicitly mentioned in the draft decision. It was his understanding that the Guidelines were more than just a "basis" for a final product.
72. *The Worker spokesperson* said that her group was not proposing that the Guidelines should be changed in any way. The phrase "take note of the outcome of the Tripartite Meeting of Experts" covered not only the Guidelines but also all the other recommendations made by the Meeting of Experts.
73. *Speaking on behalf of the Africa group*, a Government representative of Zimbabwe was concerned that removal of the word "endorse" would mean that the outcome of the Meeting of Experts would not have the intended consequences.
74. *The Worker spokesperson* said that it was her understanding that the word "endorse" was not typically used by the ILO in the context of guidelines. Some governments had not yet had the opportunity to discuss across ministries the Guidelines. Nonetheless, they had to be given "status" and the support of governments had to be secured. The aim of the proposed amendment to paragraph (b) was to clarify what was expected of the Office.
75. *Speaking on behalf of the Africa group*, a Government representative of Zimbabwe reluctantly accepted the removal of the word "endorse".

Decision

76. The Governing Body:

- (a) took note of the outcome of the Tripartite Meeting of Experts and the Guidelines for a just transition towards environmentally sustainable economies and societies for all, and authorized the Director-General to publish the conclusions of the Meeting;*
- (b) requested the Director-General to use the Guidelines for a just transition towards environmentally sustainable economies and societies for all as a basis for activities and outreach and to include the recommended follow-up action in the implementation of the Programme and Budget for 2016–17; in the development and implementation of the Green Initiative; in the development of the strategic plan for 2018–21; and in the resource mobilization strategy of the Office; and*
- (c) requested the Director-General to take the Guidelines into consideration within the context of future discussions on the 2030 Agenda for Sustainable Development and the implications of the expected Climate Agreement in December 2015.*

(GB.325/POL/3, paragraph 9, as amended by the Governing Body.)

Social Dialogue Segment

Fourth item on the agenda

Area of critical importance: Strengthening workplace compliance through labour inspection

(GB.325/POL/4)

77. *The Worker spokesperson* recalled that almost 2.3 million workers died each year from occupational accidents or diseases. The Workers were extremely concerned that working conditions were continuing to deteriorate. Labour inspectorates played a major role in ensuring the implementation of labour law, but their influence was being diminished in many countries. The independence of labour inspectorates was a sine qua non and inspectors must be protected from interference by enterprises and the executive and judicial powers. Some governments were making significant cuts to labour inspection budgets, hence there was a risk that inspectors could become susceptible to corruption because of low pay or would move to the private sector after training. Other inspectorates were restricted to acting only on issues of occupational health and not working conditions. Significant investments were therefore needed to increase the scope and quality of inspections. Moreover, training of inspectors should be strengthened to enable them to identify questionable practices.

78. The Workers supported the recommendations concerning the overall strategy, as well as the sectoral approach tailored to different sectors or regions, provided it did not compromise the coherence of the ILO's projects. Training materials should be made

accessible to as many countries as possible during the third phase of the ACI, and good practices by the pilot countries should be widely disseminated. Tripartite discussions had resulted in positive outcomes and should therefore be encouraged at the national level. The Workers were highly critical of public–private initiatives for labour inspection, and requested the Office to provide rigorous assessments of such projects. Furthermore, the Office should assist countries in utilizing financial and human resources for independent labour inspections. The emphasis in the strategy on labour inspection in SMEs in the informal economy was positive, but the strategy should extend to all SMEs. The lessons learned from ACI 7 should benefit the Office-wide strategy on labour inspection. Lastly, labour inspection should be one of the key elements of the discussion on decent work in global supply chains at the 105th Session (2016) of the International Labour Conference. The Workers’ group supported the draft decision.

- 79.** *The Employer spokesperson* said that it was important to encourage a pragmatic approach that took account of the different challenges facing different countries. Exchange of best practices identified in the pilot phase would form a sound basis for ILO knowledge. However, limited resources intensified the need to provide pragmatic inspection services that were fit for purpose; that was particularly challenging in the informal economy. ILO work on compliance needed to receive stronger programming attention within the Office and should reflect employers’ and workers’ needs by making more effective use of ACTRAV and ACT/EMP and of the Turin Centre in capacity-building activities. While the Employers agreed that enforcement of labour law could not be delegated to the private sector, it did have a complementary role to play in areas such as training and advice on labour law, in cooperation with the social partners. Labour inspection was at the service of employers as well as workers and ILO collaboration with the social partners was an important part of the proposals. ILO assistance should also focus on prevention through advice and guidance as well as enforcement and penalties.
- 80.** The Employers agreed on the need for labour inspectorates to modernize, by making greater use of technology and strategic planning and by keeping abreast of changes in the workplace; the private sector could provide support in that respect. Inspectors should ideally be considered helpful partners, and enforcement a last resort. The spokesperson noted the linkage with the document on the high-level evaluation on labour inspection systems, which underlined that well-defined outcomes and indicators were needed to ensure accountability, and that reliable indicators for strengthening labour inspectorates or demonstrating improvements in compliance should be rigorously specified. The Employers’ group supported the draft decision.
- 81.** *Speaking on behalf of ASPAG*, a Government representative of the Republic of Korea welcomed the fact that efforts to strengthen labour inspection were reflected in outcome 7 of the Programme and Budget for 2016–17 and in three global flagship programmes. He particularly welcomed the focus of the strategy on SMEs and the informal economy; it should develop technological and regulatory mechanisms to facilitate compliance. He expressed the hope that the 2016 Conference discussion on decent work in global supply chains would be conducive to identifying compliance gaps. A forthcoming comparative study of compliance practices and innovation in labour administration would provide useful knowledge; however, small-scale ILO projects should provide guidance on developing national tools rather than benchmarking. Private accreditation, auditing or monitoring schemes should not be seen as replacements for public enforcement. His group encouraged the Office to enhance the capacity-building activities of the Turin Centre and to conduct further research on the supplementary roles of private compliance initiative. The group supported the draft decision.
- 82.** *Speaking on behalf of the EU and its Member States*, a Government representative of the Netherlands said that the following countries aligned themselves with the statement:

Serbia, Norway and the Republic of Moldova. He encouraged the ILO to continue its efforts, along with partners, to achieving effective occupational safety and health, which would contribute to the protection of rights at work, prevent abuses and promote economic and social development. The EU also had policies on compliance aiming at promoting occupational safety and health, improving national enforcement capacities and combating undeclared work. He welcomed the comprehensive approach to compliance strategies, taking account of resourcing and coordination between partners, since such an approach had proven most successful. He looked forward to the comparative studies on national compliance strategies and labour inspection practices, and agreed that increased investment was a prerequisite for both. Good practices were also exchanged between European labour inspectorates to improve efficiency. Furthermore, a joint ILO/EU project on occupational safety and health had produced interesting results. He welcomed the attention to workers in the informal economy, SMEs and vulnerable workers in strengthening ILO knowledge. Cooperation with the European Agency for Safety and Health at Work could assist the Office in streamlining its multiple toolkits and products. Finally, the outcomes of the recurrent discussion on labour protection adopted at the last session of the Conference must be taken into account in the ILO's future work in the area. Subject to the consideration of the aforesaid guidance, the group endorsed the draft decision.

- 83.** *A Government representative of Colombia* emphasized the fundamental role of labour inspection in guaranteeing decent work. ILO technical assistance had been paramount in strengthening labour inspection services in Colombia, and had led to a twofold increase in the number of labour inspectors; the drafting of labour guidelines and manuals to facilitate compliance with international labour standards; ongoing face-to-face and online training for labour inspectors; the development of an information system; and the strengthening of measures, tools and training in occupational safety and health, particularly for the mining industry. She highlighted the outcome of tripartite efforts in Colombia and action to promote compliance with standards through social dialogue, especially with respect to freedom of association and collective bargaining. Colombia was sharing its experiences with other countries in the region, and looked forward to continuing to work closely with the ILO. It supported the draft decision.
- 84.** *Speaking on behalf of the Africa group*, a Government representative of Mali said that the Africa group encouraged the Office, as it embarked on the third phase of ACI 7, to share the lessons learned from the previous phases and, in particular, to disseminate the outcomes of the global knowledge-sharing workshop held in Turin in August 2015. The group also encouraged the Office to draw the attention of high-level decision-makers to the issue of workplace compliance through labour inspection. Highlighting the problems of coordination in the field that existed between headquarters, the country offices and regional offices, it called for more consultations with member States in deciding on priorities. It also drew attention to the fact that private accreditation initiatives should not be given preference over the work of labour inspection, and encouraged the social partners to participate in the third phase through ACTRAV and ACT/EMP. Noting the obstacles to implementation of ACI 7, especially the use of the term “compliance” in some languages, the Africa group invited the Office to do its utmost to overcome any obstacles. It supported the draft decision.
- 85.** *A Government representative of India* said that India believed that a universalized approach or strategy might not be the best approach. An exchange of best practices between countries might be more appropriate in disseminating knowledge and strengthening labour compliance. He noted progress made in developing policy briefs on labour inspection, freedom of association and social protection, and initiatives for taking into consideration country-specific needs and issues. Collective, continuous and dedicated efforts in strengthening labour administration and the labour inspection system and

enhancing social dialogue would help towards better compliance. India therefore supported the draft decision.

- 86.** *A Government representative of Burkina Faso* shared the experience of Burkina Faso as a pilot country for ACI 7. The project had involved the labour administration and social partners at the enterprise level; it had focused on improving health and safety in enterprises in two key sectors, namely, mining and the informal economy, and on capacity building and improving social dialogue in the labour administration. Significant results had been achieved. The innovative approach of ACI 7 had fostered greater awareness at the government, employer and worker level of the importance of workplace compliance, and heightened appreciation of the value of cooperation and partnerships between labour services and other institutions and with the social partners. Burkina Faso was convinced of the importance and relevance of ACI 7 and therefore supported the draft decision.
- 87.** *A Government representative of Japan* supported the proposal to promote strengthening workplace compliance through labour inspection, which was essential to achieving decent work for all, including in SMEs and the informal economy. Noting that many countries faced human and financial resource problems in increasing inspector numbers, he suggested that the workload of labour inspectors could be reduced by developing other policy methods such as collective instruction on occupational safety and health and the management of individual labour dispute mediation.
- 88.** *A Government representative of Mexico* said that Mexico anticipated that the ILO's forthcoming publication of a comparative analysis of labour inspection practices to reduce undeclared employment in Latin America and Europe would provide important policy benchmarks for developing strategies to reduce informal employment. Mexico had proposed creating a bank of best practices on inspection as a platform to disseminate and share experiences and knowledge between Latin American countries, which was under development and would complement ILO knowledge-building efforts. It had also introduced general regulations on labour inspection and occupational safety and health, and developed an inspection programme in 2015, which included strategies and guidelines drafted through tripartite and social consensus and incorporated the views and suggestions of employer and worker organizations, other organizations and experts, as well as the ILO. Mexico supported the draft decision.
- 89.** *A Government representative of China* said that China had introduced effective measures in response to labour inspection challenges, namely by: building the knowledge base; building institutional capacity; targeting labour inspection in SMEs; and enhancing the role of the social partners in labour inspection. It agreed that the preventive role of labour inspection and the importance of the role of the social partners and of cooperation between different departments must be emphasized. With ILO assistance, China had established a comprehensive, internationally recognized labour inspection network. It welcomed ILO comparative studies in that regard and would like to share its experiences with other countries. It also welcomed the ILO's study of the impact of new technologies on labour inspection. China endorsed the draft decision.
- 90.** *A Government representative of the Russian Federation* commended the ACI 7 strategy for reflecting ILO priorities in resolving labour inspection issues and ensuring compliance with standards, particularly in the area of the informal economy. The use of information technology in labour inspection was of particular interest to the Russian Federation, which had created an online inspection tool for employer and worker use. She expressed the hope that the ILO guides on the use of information technology in labour inspection and on occupational accidents and diseases, as well as other documents and online publications on its work in labour inspection and ensuring workplace compliance would soon be available in Russian, which was an official ILO language. The ability to consult ILO publications in

Russian would help efforts to bring national legislation and practices into line with ILO recommendations and standards.

- 91.** *A Government representative of Zimbabwe* said that inspection of occupational safety and health and labour inspection generally were critical to ensuring harmonious labour relations and decent working conditions. Labour ministries in most developing countries lacked sufficient support in exercising those functions. The inclusion of the informal economy in inspection services was essential to the transition to formality. He therefore called on the ILO to increase its material and financial support to developing countries and so enable them to enhance decent work through labour and factory inspection; to provide them with technical assistance in order to improve the inspection function; and to assist in strengthening legislation. Zimbabwe supported the draft decision.
- 92.** *A representative of the Director-General* (Deputy Director-General for Policy) said she was pleased that the piloting of the new tools and strategies had been so widely appreciated and that workplace compliance through labour inspection would again be a top priority in the coming biennium. However, huge challenges remained, such as labour inspectorate understaffing, low pay and a lack of material and financial resources. The Office looked forward to working with the constituents to build the capacity and resources necessary for labour inspectorates to accomplish their role. In that regard, she reiterated the core principle that the enforcement of workplace compliance was the responsibility of governments. However, full compliance with labour laws, international labour standards, and healthy and safe workplace practices could not be achieved without the commitment of employers to compliance, or the involvement of workers in finding practical ways to achieve compliance and provide ongoing monitoring and engagement. In response to the Workers' suggestion that the focus should be on all SMEs, not only those in the informal economy, she emphasized that the focus of efforts was on SMEs in general and also on the informal economy, noting the increasingly widespread informalization of work in the formal sector. With regard to the Employers' observation that efforts should focus on prevention as well as enforcement, she reiterated that the ILO considered that the task of labour inspectorates was to prevent non-compliance, hazards and disrespect for rights and, also, to enforce. It was important to strike a balance between positive and negative incentives and find a way of aligning the incentives facing the private sector. Thus, in all its work and advice, the ILO placed equal emphasis on prevention and enforcement.
- 93.** *A representative of the Director-General* (Director, Governance and Tripartism Department) said that the ILO's actions on ACI 7 demonstrated pragmatism; in pilot countries, local tripartite groups had determined the priorities for action, and good practices had been expanded to other countries which shared common features. In that connection, the West African Economic and Monetary Union Commission had undertaken to provide financial support for the dissemination of the good experiences from Burkina Faso. All ILO work on ACI 7 was guided by country offices and teams, to ensure that the Office's services were tailored to country contexts. Lastly, the meeting of economic and social councils mentioned in paragraph 15 of document GB.325/POL/4 had resulted in a declaration on workplace compliance, including supply chain compliance, which represented an important step forward.

Decision

94. *The Governing Body requested the Director-General to take account of its guidance in further implementing the strategy for the ACI on “Strengthening workplace compliance through labour inspection”, and in the implementation of outcome 7 of the Programme and Budget for 2016–17 on “Promoting workplace compliance through labour inspection”.*

(GB.325/POL/4, paragraph 32.)

Fifth item on the agenda

Sectoral meetings in 2015 and 2016

(GB.325/POL/5)

95. *The Employer spokesperson* said that the Employers’ group supported the draft decision.
96. *The Worker spokesperson* underscored the importance of following up on the points of consensus and the recommendations for action adopted by the Global Dialogue Forum for the retail commerce sector. The report of the Joint ILO–UNESCO Committee of Experts on the Application of the Recommendations concerning Teaching Personnel (CEART) on its 12th Session (CEART/12/2015/14) illustrated clearly how the profession and teachers’ work-related rights were being undermined. It also indicated the continuing relevance in 2015 of the principles underlying the ILO–UNESCO Recommendation concerning the Status of Teachers, 1966 and the ILO–UNESCO Recommendation concerning the Status of Higher-Education Teaching Personnel, 1997. The Workers’ group supported the draft decision.
97. *Speaking on behalf of the Africa group*, a Government representative of Lesotho, requested clarification regarding the selection criteria for the participation of governments in the proposed Meeting of Experts to Adopt Policy Guidelines for the Promotion of Sustainable Rural Livelihoods Targeting the Agro-food Sectors, as the usual consultative principles had not been followed. The Africa group supported the draft decision.
98. *A Government representative of Brazil* seconded the Africa group’s request for clarification.
99. *A representative of the Director-General* (Director, Sectoral Policies Department) explained that the Employers’ and Workers’ groups and regional coordinators were usually consulted as part of the country selection process for participation in sectoral meetings. The Office would investigate the specific case cited.

Decision

100. *The Governing Body:*

- (a) *took note of the reports of the two meetings referred to in section I of document GB.325/POL/5;*
- (b) *forwarded the report of the 12th Session of the Joint ILO–UNESCO Committee of Experts on the Application of the Recommendations concerning Teaching Personnel (CEART), along with any observations*

made by the Governing Body, to the International Labour Conference at its 105th Session (June 2016) for examination in the first instance by the Committee on the Application of Standards;

- (c) requested the Director-General to communicate the CEART report to the governments of member States, along with any observations made by the Governing Body, requesting them to communicate the texts to the relevant employers' and workers' organizations, as well as communicate the reports to relevant intergovernmental and international non-governmental organizations;*
- (d) requested the Director-General to bear in mind, when drawing up proposals for future work, the recommendations for future action by the ILO made by the Global Dialogue Forum and the CEART, where appropriate in consultation with the Director-General of UNESCO; and*
- (e) endorsed the proposals made in paragraphs 11 and 12 of document GB.325/POL/5 with regard to the Meeting of Experts to adopt a draft revised code of practice on safety and health in ports, in addition to the proposals contained in the table appended to the document relating to the dates, duration, official title, purpose and composition of the meetings listed therein.*

(GB.325/POL/5, paragraph 13.)

Development Cooperation Segment

Sixth item on the agenda

ILO Development Cooperation Strategy 2015–17

(GB.325/POL/6)

- 101.** *The Worker spokesperson* said that, in light of the outcomes of the Third International Conference on Financing for Development and the 2030 Agenda for Sustainable Development, the ILO had a unique opportunity to incorporate international standards, employment, social protection and social dialogue into the 2030 Agenda at the policy and operational levels; to support the promotion of decent work in its member States through a rights-based approach, in cooperation with other development stakeholders, including ministers of finance, central banks and macroeconomic policy-makers; and to expand its partnerships and exercise its authority at the international level to promote decent work, not only through SDG 8 but also through the many targets associated with the other Goals.
- 102.** The Organization's tripartite structure would allow it to influence implementation of the 2030 Agenda at the national, subregional and regional levels through genuine social dialogue. Paragraph 10 of the updated Development Cooperation Strategy 2015–17 should therefore have mentioned trade unions in the context of multi-stakeholder partnerships. Workers were in urgent need of capacity development so that their trade unions could influence national policies and monitor progress towards the SDGs.

- 103.** In terms of focus, the first of the four building blocks of the Strategy, the SDGs and the Organization's outcomes and priorities, including international labour standards, needed to be aligned. The ILO needed to be strategic in influencing the SDGs. His group reiterated its call for a more balanced distribution of resources among the strategic objectives of the ILO and in its partnerships, including those under United Nations Development Assistance Frameworks (UNDAFs). Each Global Flagship Programme should include a capacity-building component for workers and employers. With a view to improving effectiveness, the second building block, technical cooperation projects should not only be managed in a decentralized way but incorporate the concept of networking. The International Training Centre of the ILO in Turin (Turin Centre) should offer a comprehensive programme on development cooperation for constituents and ILO staff. Regarding the third building block on capacity development, the Turin Centre should play a key role in implementing the decisions of the Governing Body taken in March 2013 related to bipartite and tripartite capacity building of constituents. The South–South and triangular cooperation strategy should be strengthened. With regard to resource mobilization, the fourth building block, long-term partnership agreements should be supported. Public–private partnerships must follow the procedure established by the Governing Body. It would be important to evaluate the Strategy at regular intervals.
- 104.** *The Employer spokesperson* said that the updated Strategy failed to take into account some of the key recommendations from evaluation of the ILO's Technical Cooperation Strategy 2010–15. In particular, DWCPs remained aspirational documents, and the Office had not fully integrated technical, organizational and institutional competence, especially in the delivery of programmes.
- 105.** ILO strategies and activities must be tailored to reflect the 2030 Agenda; for example, capacity development for constituents was a prerequisite for participation in national policy-making. Capacity-building programmes should be adequately resourced and developed in consultation with ACT/EMP and ACTRAV. Her group supported the four building blocks of the Strategy but called for greater coordination with the Turin Centre and mobilization of resources for capacity development.
- 106.** Regarding paragraph 5, her group believed that without jobs no international labour standard could be applied, and it therefore preferred the wording of paragraph 34. The ILO should make better use of its comparative advantages, including its tripartite constituency, while maintaining an integrated approach to all aspects of decent work. In light of the decline in donor funding, the Organization should focus more closely on public–private partnerships, domestic resource mobilization, and measures to increase foreign direct investment, migrant remittances and other funding sources. Multi-stakeholder partnerships and South–South and triangular cooperation should be strengthened, and there should be proper mechanisms for operational monitoring and reporting.
- 107.** *Speaking on behalf of the Africa group*, a Government representative of the United Republic of Tanzania said that the 2030 Agenda and the Addis Ababa Action Agenda fairly reflected the issues set out in the Decent Work Agenda, whose objectives could be attained through the Development Cooperation Strategy. Since capacity development, the inclusion of member States and the social partners, and the staffing of ILO country offices were also essential in that regard, the Director-General should take up the challenges to operationalization of reforms in the areas of human resources and the field office structure and to implementation of regional initiatives. The African countries looked forward to the outcomes of the 13th African Regional Meeting of the ILO (Addis Ababa, 30 November–3 December 2015).
- 108.** *Speaking on behalf of GRULAC*, a Government representative of Mexico said that the central position of decent work in the 2030 Agenda for Sustainable Development

necessitated a review of the ILO's approach to conducting its development cooperation activities. The challenges facing middle-income countries were of particular concern to GRULAC and had been clearly identified in the Addis Ababa Action Agenda. As noted in paragraph 23 of the updated Strategy, cooperation must be driven by constituents' needs. National capacities to collect statistical data on labour matters must be developed, with a view to facilitating constituents' participation in informed policy-making and reporting processes. His group maintained that data collection by individual countries was a better alternative to independent data collection by the Office.

- 109.** The Office should continue to implement and expand its South–South and triangular cooperation strategy and, in that connection, should continue to exchange good practices and form alliances. His group would also like to receive any updates to the baseline figures pertaining to the resource mobilization targets included in Appendix I. The Office should consider inviting representatives of the permanent missions of recipient countries to contribute to revision and improvement of the ILO's development cooperation. Moreover, the graphs and tables comprising Appendix II should be revised in the light of the new information provided in the updated Strategy. It would be useful to include a graph showing how extra-budgetary funding related to the ILO's regular budget, and to include information on a broader range of contributors.
- 110.** *Speaking on behalf of IMEC*, a Government representative of Italy welcomed the Office's efforts to align its development cooperation activities more closely with its Strategic Policy Framework and encouraged it to create clearer links between development results, resource mobilization, stakeholders' roles and available funding, drawing on the practices of other organizations with structured financing dialogues. He requested more information on the evaluation of the Technical Cooperation Strategy 2010–15, to enable constituents to assess its impact, and an update on the creation of the fund for kick-starting and coordinating responses to fragility and special situations mentioned in Appendix I, table 1. While IMEC did not consider emergency relief to be part of the ILO's core mandate, it appreciated the attention paid by the Office to phenomena such as mass movements of migrants and refugees. The ILO could play an important role in addressing the employment-related aspect of those phenomena.
- 111.** IMEC welcomed the ILO's increased cooperation with the Turin Centre and considered that capacity development activities should go hand in hand with the ILO's decentralization policy, which should take account of the need for straightforward procedures for fund allocation. The ILO should also adopt a more holistic approach to capacity development, focusing not only on training but also on institution building. IMEC welcomed the Office's ambition to assume a more active role in multi-stakeholder partnerships. Given the catalytic role of official development assistance (ODA), the ILO should seek national contributions and public–private partnerships in middle-income countries. In developing countries, the role of ODA would be more important. IMEC would also like to receive more detailed information about the impact of the ILO reform on its Development Cooperation Strategy. The ILO should use the SDGs to link its ten new policy outcomes to related flagship programmes.
- 112.** *A Government representative of Trinidad and Tobago* said that, given the rapid pace of global discussions and development activities, and the anticipated shift in focus towards decent work, the ILO should remain steadfast in its commitment to the principles enshrined in the Decent Work Agenda. Furthermore, notwithstanding the need to enter into and maintain multi-stakeholder partnerships, doing so should in no way diminish the tripartite relationship that characterized the ILO.
- 113.** *A Government representative of Colombia* noted that the Addis Ababa Action Agenda and the 2030 Agenda for Sustainable Development both referred to the commitment made to

the ILO's Global Jobs Pact. Her country recognized the importance of South–South and triangular cooperation and had exchanged good practices and collaborated with other countries in the region. The Office should continue implementing its policy of decentralizing development cooperation responsibilities and, in so doing, increase the number of technical cooperation projects in partnership with the ILO Regional Office for Latin America and the Caribbean. The tripartite constituents should be kept abreast of the different development cooperation projects under way and of any difficulties affecting their implementation.

- 114.** *Speaking on behalf of ASPAG*, a Government representative of India said that the ILO's Development Cooperation Strategy should pay special attention to SDG 8 on decent work. There would be high expectations for the ILO to deliver results, so it should continue to build its capacity and strengthen cooperation with all relevant stakeholders. His group reiterated the importance of country ownership, constituent involvement, transparency, improved reporting and a balanced approach to allocating resources in the updated Strategy. In view of the fact that the SDG target related to youth employment was to be achieved by 2020, the Strategy should give priority to knowledge and skills development and bridging programmes for young people. The ILO should accelerate the development and implementation of a global strategy for youth employment, and the issue of youth employment should be integrated into all flagship programmes to be designed by the end of 2015. The ILO should also seek to consolidate and diversify its partnership and resource base.
- 115.** *A Government representative of the United Kingdom* said that the best route out of poverty was through employment creation, growth promotion and decent work. He agreed with the four building blocks of the Development Cooperation Strategy, attached special importance to that of “focus” and would welcome even further consolidation of Office initiatives, strategies and programmes. The promotion and protection of human rights was the key to economic and social development, and human rights should therefore feature more prominently in the Strategy. Multi-stakeholder partnerships had an important role to play in the delivery of development activities, so the ILO should take as broad an approach as possible to development partnerships under its mandate and ensure national ownership of development activities. When devising development policies, greater consideration should also be given to the spending choices facing governments and to the need to demonstrate value for money.
- 116.** *A Government representative of Bangladesh* said that the Strategy should be further updated following the twenty-first session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP21). The Strategy should also address emerging challenges, such as mass movements of migrants and the adverse impact of climate change on employment. The Strategy would be more cost-effective if it made more use of national expertise and systems in the delivery of development activities. North–South cooperation could also play a significant role in promoting the ILO's Decent Work Agenda.
- 117.** *A Government representative of India* said that alignment of the Development Cooperation Strategy with the 2030 Agenda for Sustainable Development, national development plans and UNDAFs would give greater impetus to the Decent Work Agenda. The Office should make more use of national expertise, with a view to tailoring the Strategy to the diverse situations in ILO member States. ILO regional and country offices could assist in informal consultations with stakeholders to identify region-specific problems and opportunities as well as constituents' priorities. It was also necessary to meet quality requirements and ensure value for money. His Government welcomed the various combinations of funding, including South–South and triangular cooperation. Funds should be allocated based on the development needs of all member States, and programmes should cater to the needs of

OECD and non-OECD members alike. The ILO should also explore additional innovative funding methods. Mainstreaming the Decent Work Agenda should remain the foremost priority for development cooperation.

- 118.** *A Government representative of Japan* said that the ILO's current approach to DWCPs did not seem to be adequate because it did not consider the policy decision-making process of each country. The ILO's staff capacity for determining those processes should be strengthened. He hoped that the current problem could be addressed by increased cooperation and close consultation between the Office, the Governing Body and donor countries.
- 119.** *A representative of the Director-General* (Director, Partnerships and Field Support Department) said that all UNDAFs contained aspects of the Decent Work Agenda. The ILO had allocated resources to support South–South and triangular cooperation. Regional priorities would need to be encouraged, and work was under way to improve the DWCPs. There were more than 243 public–private partnership agreements, exemplifying the efforts being made to diversify the actors collaborating with the ILO. Tripartism, the active participation of workers, employers and governments, was the comparative advantage of the ILO and its development cooperation. The unique opportunity presented by the inclusion of decent work in the 2030 Agenda had been initiated by the Governing Body in 2011, when it had requested the Office to promote the decent work agenda at all levels in collaboration with the constituents. Thanks to the constituents as well as the Group of Friends on Decent Work for Sustainable Development formed in New York, decent work for all had become a commitment of Heads of State and Government on which the ILO would collaborate.
- 120.** *A representative of the Director-General* (Deputy Director-General, Field Operations and Partnerships) said that the role of the Turin Centre would be strengthened in the context of the updated Strategy. Capacity development meant making sure that social partners were well equipped to influence strategy choices when implementing the SDGs at the national level. Regarding the role of middle-income countries, the Office was working on a country typology as a follow-up to the field review. The Office appreciated the findings and lessons learned from the evaluation of technical cooperation. For instance, regarding the challenge of strengthening the ILO's presence on the ground, one of the lessons learned was to ensure that a project was handed over to the national level and not just shut down. An information session on development cooperation in Africa would be organized during the Africa Regional Meeting. How best to align the DWCP processes on development with UNDAFs was a challenging task that was already being tackled.

Decision

121. The Governing Body:

- (a) *adopted the revised Development Cooperation Strategy 2015–17 and requested the Office to report on its implementation at its 329th Session (March 2017); and*
- (b) *requested the Office to take into account the guidance provided by the Governing Body on recent external developments (the Addis Ababa Agenda for Action and the 2030 Agenda for Sustainable Development) and on internal developments (the Programme and Budget for 2016–17, the evaluation of the Technical Cooperation Strategy 2010–15, and the ongoing internal reform) and their implications for the ILO Development*

Cooperation Programme in its continued implementation of the Development Cooperation Strategy 2015–17.

(GB.325/POL/6, paragraph 37.)

Seventh item on the agenda

The ILO's global flagship programmes (GB.325/POL/7)

- 122.** *The Employer spokesperson* supported the intention to replace inconsistent, ad hoc national interventions with larger development cooperation programmes. There should have been more consultations and a broader focus. A robust programme to contribute to sustainable enterprises and capacity building for constituents should be part of the flagship programmes. ILO mobilization of resources for capacity and enterprise development would contribute to SDG 8. The mobility of skills in a globalizing world should also be considered for a flagship programme. While the flagship programmes could provide economies of scale, there should have been adequate informal consultations with the Employers' group. Private sector engagement should be an integral part of the design of the flagship programmes. It was unclear how the design of the programmes as a resource mobilization mechanism applied to the Better Work programme. Explicit and measurable components on capacity development of constituents were necessary if the programmes were to be effective.
- 123.** *The Worker spokesperson* welcomed the flagship programmes. Constituents should have been consulted concerning their selection and the selection criteria, and consultations should be held in future. Integrated resource management and the balanced distribution of resources among the flagship programmes reflected the programme and budget outcomes and the four pillars of the Decent Work Agenda. Development programmes must contribute to building the capacity and role of constituents. All flagship programmes should include a capacity-building component for the social partners. The purpose of development cooperation should be to drive the ratification and implementation of standards. Each programme should include an integrated plan for implementation. Greater integration and transparency were necessary in the Better Work programme, which should refer to the Minimum Wage Fixing Convention, 1970 (No. 131), and the Occupational Safety and Health Convention, 1981 (No. 155), and the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration). The fundamental principles and decent work were not sufficiently respected in the programme. All fundamental labour standards should be referred to in IPEC+. Regarding the Occupational Safety and Health Global Action for Prevention (OSH-GAP) programme, the Labour Inspection Convention, 1947 (No. 81), Conventions Nos 87 and 98 and the Labour Inspection (Agriculture) Convention, 1969 (No. 129), should be referred to. The Jobs for Peace and Resilience (JPR) programme should refer to the Labour Clauses (Public Contracts) Convention, 1949 (No. 94) and the Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144). The linkage between the Social Security (Minimum Standards) Convention, 1952 (No. 102), and the Social Protection Floor programme should be strengthened. Strong and representative employers' and workers' organizations should be a cross-cutting theme in all the programmes and the MNE Declaration should be a goal in all the programmes. The draft decision suggested a report on the implementation of the flagship programmes, which was too little, too late. More frequent, detailed reports should be provided on each programme. He proposed an amendment to the draft decision concerning the creation of a tripartite advisory committee for each flagship programme at the national and global levels.

124. *Speaking on behalf of the Africa group*, a Government representative of the United Republic of Tanzania said that the effective involvement of member States and social partners in the design and implementation of the programmes was essential. The criteria for inclusion in the JPR programme should be extended to countries affected by climate change. The informal economy, social protection, youth unemployment, child labour and labour market governance were critical issues to Africa. He urged the Office to consider engaging the African Regional Coordinator to ensure that African countries were included in the implementation of the relevant programmes. He supported the “next steps” and the draft decision.
125. *Speaking on behalf of IMEC*, a Government representative of the Netherlands said that the Office had followed up on the recommendations from the ILO Field Operations and Structure and Technical Cooperation Review (the 2013 field review report). The flagship programmes should be monitored to check that they were effective in counteracting a trend of continued fragmentation of projects. Although the five proposed flagship programmes were explicitly linked to the 2030 Agenda for Sustainable Development, more attention should be given to multi-stakeholder partnerships. He requested further information on the institutional implications for the ILO. He asked how the flagship programmes related to the ILO’s strategic plan and the programme and budget, how existing programmes would be phased out or reconfigured as recommended in the 2013 field review report, and whether there would be new flagship programmes after 2015. Programmes should be expanded where it was clear how the programme would fit with other priorities and initiatives. The Office was urged to invest in monitoring and evaluating the design and inception phase of the flagship programmes.
126. *A Government representative of the Republic of Korea* said that the flagship programmes would be a key tool in implementing the SDGs and the four pillars of the Decent Work Agenda. The flagship programmes did not seem to reflect the objective of employment promotion for sustainable growth. The JPR programme should also support countries with structural problems in employment creation. The flagship programmes should be aligned with the DWCPs to become more effective, and should meet the specific needs of member States. The ILO should support small but innovative pilot programmes.
127. *A Government representative of Ethiopia* said that Ethiopia was aiming to build a green economy because of its vulnerability to disasters induced by climate change. He welcomed the JPR programme and encouraged the Office to create a proper linkage between the programme and the ILO’s Green Jobs Programme. The impact of conflicts or disasters was not limited to countries of origin. Cross-border displacement had a socio-economic impact on host countries and communities. He encouraged the ILO to expand the JPR programme to include countries hosting large numbers of displaced people.
128. *A Government representative of France* welcomed the flagship programmes. France provided financial and material resources for four of the five flagship programmes: Better Work, IPEC+, OSH-GAP and the Social Protection Floor. Regarding OSH-GAP, he expressed support for the “Vision Zero Fund” proposed by the German Presidency of the G7.
129. *Speaking on behalf of the EU and its Member States*, a Government representative of the Netherlands said that the flagship programmes were at the heart of the ILO’s mandate and supported the four pillars of the Decent Work Agenda. The flagship programmes aligned with the SDGs and would contribute to the implementation of the 2030 Agenda for Sustainable Development. However, the design of the flagship programmes did not seem to take into account gender or vulnerable groups and more attention should be paid to the promotion of social dialogue. Support was expressed for larger programmes and multi-partner operations. Although project fragmentation should be avoided, smaller

projects should continue, especially those involving innovation, demonstration, piloting, research and tailored activities. He sought clarification on the screening process of participating countries, including the selection criteria used, how the programmes were financed, what the share of assessed contributions was and how far country ownership was encouraged. Transparent and regular impact assessment and evaluation protocols were necessary. He supported the draft decision, provided that the EU's guidance was taken into consideration.

- 130.** *A Government representative of Zimbabwe* commended the Office for prioritizing child labour and forced labour. How would the Office ensure that all member States agreed to IPEC+? There had been a lack of support for some programme proposals made to IPEC, Zimbabwe being a case in point. While strong political will and well-designed and integrated policies were significant in the fight against child and forced labour, a leading role by the Office in ensuring support for national programmes was equally necessary.
- 131.** *A representative of the Director-General (Deputy Director-General for Policy)* said that it was important to bear in mind that the flagship programmes were funded using extra-budgetary funds and were in addition to the programmes funded by the regular budget. The extent to which programmes could be extended depended on whether additional resources could be mobilized. The selection criteria for countries to be considered for a programme included countries expressing an interest, ILO evaluation of whether a programme would be productive, whether the problem was a serious problem in the country, whether it had a high priority in the country, the political will in the country, whether the country was ready for the programme and, ultimately, whether extra-budgetary funds were available. There would be tremendous demand for inclusion in the JPR programme, particularly from countries in situations of conflict or natural disasters. The Office would endeavour to mobilize resources from international financial institutions, other development banks and traditional donors, and the criteria would have to be met. The core strategic and analytical functions and technical expertise of the flagship programmes would be placed under the relevant policy departments, but the related projects would be implemented at the country level. There would be some convergence between the flagship programmes and other ILO initiatives and priorities. The Organization could not satisfy the demand for work on labour inspection and compliance, not even in the critical area of occupational safety and health (OSH). The OSH-GAP programme would mobilize additional resources and should be viewed as an extension of the activities funded from the regular budget. Once the current flagship programmes had been firmly established in countries, it might be possible to develop additional ones. As to whether the JPR programme could include job creation, resource constraints had so far made it necessary to target the countries with the most extreme need. The suggestion that the programme should be offered to countries that were hosting large numbers of refugees from conflicts or disasters, while welcome, would also be dependent on resource mobilization. Owing to the word limits imposed on documents by the Governing Body, the gender and social dialogue components of the flagship programmes were not mentioned in the report. They were, however, present in the full documents and programmes; for example, the Better Work programme focused on the garment and footwear industries, in which the labour force was composed primarily of women, and took their needs into account in monitoring compliance with laws and standards. The amendment proposed by the Workers' group was feasible; a global tripartite advisory committee was already in place and work advisory committees had been established at the national level for the two programmes that were currently operational.
- 132.** *The Employer spokesperson* supported the draft decision with the amendment proposed.
- 133.** *A Government representative of Brazil* requested clarification of the proposed amendment. He wondered whether, if adopted, it would result in the establishment of national tripartite

committees for each of the flagship programmes, which was not always the case with other ILO activities. He supported the goal of increasing ownership by constituents, particularly as the programme implementation report mentioned in the first paragraph of the draft decision would be submitted to the International Labour Conference rather than the Governing Body.

134. *A Government representative of India* said that his delegation needed time to consider the proposed amendment, including its financial implications.
135. *A representative of the Director-General* (Deputy Director-General for Policy) said that many, though not all, ILO programmes included tripartite committees at the national level. It was important not to divert resources from the ultimate beneficiaries. In countries with many different development cooperation projects, a single national oversight committee might be more efficient. However, since national committees might be useful in some cases where input from experts in a specific sector was needed, it might be better not to establish a firm rule on the matter.
136. *The Worker spokesperson* said that his group did not wish to be dogmatic; its hope was that tripartite committees would be established at the national level in order to publicize ILO activities and give all parties concerned a role in their implementation.

Decision

137. *The Governing Body took note of the objectives and characteristics of the five flagship programmes presented in document GB.325/POL/7 and requested the Office:*
- (a) to report on their implementation through the programme implementation report; and*
 - (b) to take into consideration the guidance provided by the Governing Body and to establish a tripartite advisory committee for each flagship programme at both the global and national levels.*

(GB.325/POL/7, paragraph 34, as amended by the Governing Body.)

Eighth item on the agenda

Enhanced programme of development cooperation for the occupied Arab territories (GB.325/POL/8)

138. *The Employer spokesperson* said that the situation in the occupied Arab territories was not very positive given the stalling of the peace process and the delay in the formation of the Palestinian Government of National Consensus. Gross domestic product growth had declined and there were high levels of deprivation. She highlighted activities in Gaza, which prioritized livelihoods and emergency employment and skills development. She noted the launch of programmes to replace assets and subsidize private sector jobs to facilitate reconstruction, among other objectives. Those programmes provided necessary support to the ongoing work and implementation of the enhanced programme of development cooperation.

139. *Another Employer spokesperson* added that he was grateful for the ILO's efforts and intervention through the enhanced programme of development cooperation. One of the obstacles to improving the situation was financing. In Gaza, tensions were increasing and there were high levels of frustration and despair. Donors had not kept their promises and budgetary deficits had accumulated. Consequently, the enhanced programme had not been able to fulfil its objectives. As long as the occupying forces continued their practices and violations of human rights and human dignity, the situation would remain the same. Decisive action was needed in order to restore peace, stability and coexistence in the region. He stressed the need to work together to improve people's lives. More financing was needed and the conclusions of the annual Report of the Director-General should be taken into account, along with the comments made by the Arab group regarding that Report. All constituents must participate in addressing the situation of workers of the occupied Arab territories.
140. *The Worker spokesperson* welcomed the labour law reform and the action plan agreed upon by the tripartite-plus working group. He asked which groups had participated in the working group and why it had not been a traditional tripartite group. Referring to the resolution adopted by the Conference in 2002 concerning tripartism and social dialogue, he said that tripartism-plus should not replace the role of workers' organizations. He requested information on which non-governmental organizations had been provided with ILO assistance and why the Office had not collaborated with constituents. He asked for more support for workers in Palestine and better access for workers' organizations from other countries. It was important to promote access to external markets in order to stimulate the economy and employment in the region. His group supported the internal review of the Palestinian Decent Work Programme (DWP) 2013–16. It further supported the recovery interventions in Gaza. More attention should be paid to the promotion of international labour standards, freedom of association and collective bargaining. The situation in the occupied Arab territories had sadly deteriorated and it would be difficult to implement sustainable development without peace.
141. *Speaking on behalf of the Africa group*, a Government representative of the United Republic of Tanzania said that the discussion was taking place at an opportune time following the adoption of the 2030 Agenda for Sustainable Development. The Palestinian people continued to face poverty and underdevelopment. The full realization of the Decent Work Agenda and the 2030 Agenda might therefore be in jeopardy. He appealed to donors to honour their commitments. He welcomed the ILO programme to train persons with disabilities and build the capacities of women, and urged the Office to continue in its efforts. The international community needed to assist the social partners in addressing deficits and building sustainable peace and tranquillity in the region. The Office should take into account the 2030 Agenda for Sustainable Development as the Palestinian people and those living in other occupied Arab territories deserved no less.
142. *Speaking on behalf of ASPAG*, a Government representative of Jordan said that, in view of the high unemployment rates in the West Bank and Gaza, the DWP for 2013–16 had been right to allocate 62 per cent of resources to employment promotion. The Office should continue to support the Palestinian tripartite constituents, particularly in the areas of labour legislation, social security, small and medium-sized enterprises, the fisheries sector, non-governmental organizations, skills development for women, and developing cooperative principles. He urged the Office to continue providing seed funding for development cooperation programmes and appealed to donor countries to contribute to the DWP.
143. *Speaking on behalf of the Arab group*, a Government representative of Sudan called on the Office to continue its efforts to alleviate the suffering of workers in the occupied Arab territories. The humanitarian crisis in Gaza and absence of economic perspectives

increased pressure on Palestinians, who were largely excluded from work opportunities. There was a need to reinforce the DWP 2013–16, in view of the practices of the occupying forces and the consequent humiliations and limitations suffered by Palestinian workers. His group called on donors to fulfil their pledges to the ILO emergency response programme launched in February 2015, to make alleviation of the destruction in Gaza feasible. It also requested the Chairperson of the Governing Body to place an item on the situation of workers of the occupied Arab territories on the agenda of the 2016 session of the Conference, with a view to reactivating the role of the ILO and raising the necessary funding to strengthen social security.

- 144.** *A Government representative of Turkey* said that the international community should take action to stabilize the situation in the occupied Arab territories. Turkey had conducted a number of development projects in Gaza and the West Bank. He supported robust ILO engagement in the reconstruction of Gaza through the DWP and the emergency response programme. Ending the blockade and lifting all restrictions on Gaza should remain the main priority.
- 145.** *A representative of the Director-General (Acting Regional Director for the Arab States)* thanked the Governing Body members for their inputs, which would help shape further ILO interventions. The DWP had been developed in a tripartite context but required support from development partners for its implementation. The Government of Kuwait had provided valuable financial support but more resources were needed. The situation was particularly difficult in Gaza. Having entirely funded its 2015 emergency response programme from seed funding, the Office looked to donors for further assistance. The ILO's efforts on the ground were constrained by the tense political and security situations, and its limited financial resources. It worked primarily with constituents, but had also developed partnerships with civil society organizations. Interventions were governed by a number of tripartite committees, indicating progress towards effective tripartism and social dialogue.

Outcome

- 146.** *The Governing Body took note of the report contained in document GB.325/POL/8.*
(GB.325/POL/8.)

Multinational Enterprise Segment

Ninth item on the agenda

Update on the implementation of the promotional framework and follow-up to the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, including ILO collaboration with other intergovernmental and international organizations (GB.325/POL/9)

147. *The Worker spokesperson* said that action on the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (the Declaration) should continue to be based on tripartite consultation. The Declaration had provided important guidance to the UN SDGs, Climate Conference and G20 discussions. The UN Guiding Principles on Business and Human Rights and the updated OECD Guidelines for multinational enterprises (MNEs) made it important for the ILO to update its Declaration so that its role could be strengthened in the future. ILO Regional Meetings were an important forum to promote the Declaration and to identify follow-up activities. The International Training Centre of the ILO in Turin played a significant role in capacity building for all three constituent groups. Country-specific support must involve ACTRAV and ACT/EMP in order to engage national tripartite stakeholders in all aspects of the Declaration's implementation. Further work was also needed to strengthen links with sectoral work and public-private partnerships. Moreover, dialogue between trade unions and MNEs should be promoted further. A cross-country discussion on multinationals at the upcoming International Conference of Labour Statisticians could be an important guide for the collection of socio-economic statistics. Also important was ongoing collaboration with other organizations to promote the MNE Declaration and reinforce the ILO's role in international labour standards.
148. The Workers further thanked the donors for their support and requested other governments to consider contributing. Member States should provide the Office with information on the implementation of the principles of the Declaration and on national tripartite cooperation. It was important to update the Declaration to eliminate barriers to its promotion and enhance its relevance, and to strengthen the ILO's role in relation to global supply chains. The matter could be placed on the agenda of the March 2016 session of the Governing Body. The goal should be to retain the best elements of the Declaration, thus strengthening the ILO's leadership role in international labour standards, and to include a mechanism to address complaints. Consultations need to be organized to that effect. The Workers supported the draft decision and the amendment proposed by IMEC.
149. *The Employer spokesperson* said that the Employers had consistently supported the Declaration, and welcomed the intensive promotional work of the past year. The Declaration's true strength was its tripartite nature: it reflected the fact that governments and social partners as well as companies had specific roles. It had the potential to unite actors to improve situations on the ground. Concrete country assistance – involving tripartite constituents with the support of ACT/EMP and ACTRAV – would demonstrate the Declaration's utility, and was the most effective way to promote it. The new capacity-building approach of the Turin Centre, including the e-learning tool, was welcome;

ACT/EMP could usefully contribute, as its work in supporting employers and companies was closely related. Promotion of the Declaration at Regional Meetings had proven successful, and should continue. The ILO Helpdesk for Business on International Labour Standards had been extremely successful in providing the information necessary to implement the Declaration. The Office's follow-through of the implementation strategy was starting to bear fruit. Stronger policy coherence and coordination with other international organizations were needed when drafting business guidelines on social issues. The ILO had an exclusive mandate on social and employment issues; governments should ensure that funding for such projects went to the ILO.

- 150.** Referring to the Office document, the Employers disagreed that the Declaration was overly complex; it was less so than other equivalent instruments. Nor did they consider that the Declaration failed to fully capture the realities of globalization: on the contrary, its tripartite nature enabled it to respond better to the challenges posed by globalization than other instruments aimed only at companies. The Employers supported the draft decision and the amendment to be proposed by IMEC.
- 151.** *Speaking on behalf of IMEC*, a Government representative of the Netherlands affirmed that the MNE Declaration could make an invaluable contribution to decent work and served as a point of reference when engaging with business. Capacity-building activities were targeted to constituents' needs; the ILO Helpdesk was crucial in identifying the needs of businesses; and the Turin Centre's capacity-building role could be expanded to support MNEs. Promotion of the Declaration should indeed be aligned with national development and decent work priorities. The ILO internal network of focal points was instrumental in providing country-level support and regional follow-up, and avoiding duplication. The Declaration should be mainstreamed throughout the Organization's work whenever that made sense. He requested further information about public-private partnerships in relation to the Declaration, asking whether they simply referenced the Declaration or whether some also focused on its implementation. In addition, he asked how awareness could be raised about the possibility for the ILO to facilitate company-union dialogue. Regional Meetings might be suitable forums to discuss implementation of the Declaration, taking account of regional specificities, and the participation of MNEs could enrich such discussions. Collaboration with other organizations was welcomed; the ILO, as the only tripartite multilateral organization, should lead discussions on the economic and social impact of MNEs. To ensure that that happened, a comprehensive tripartite discussion on external developments was needed, which should also encompass an assessment of the Declaration's relevance in order to determine whether it needed revision. The Conference discussion on decent work in global supply chains in 2016 would necessarily address the Declaration's strengths and weaknesses. Given the limited time available for that discussion, IMEC suggested working separately to analyse and possibly revise the Declaration in an accelerated manner. The group therefore proposed adding a new subparagraph to the draft decision, to read: "(c) requests the Office to propose modalities to review the MNE Declaration for decision by the March 2016 Governing Body".
- 152.** *Speaking on behalf of GRULAC*, a Government representative of Mexico said that the Declaration was a pioneering instrument which should be implemented in coordination with other instruments and processes. He welcomed the ILO's collaboration with the United Nations Working Group on Business and Human Rights and involvement in discussions on a legally binding international instrument. The special session on the Declaration which had taken place during the American Regional Meeting had generated considerable interest. GRULAC looked forward to the Office paper on the current state of knowledge about the impacts of MNEs on development, and agreed that investment must support sustainable development and decent work. Given its strategic relevance for the 2030 Agenda for Sustainable Development, it was indeed worth considering revising the Declaration. GRULAC supported the draft decision, with IMEC's proposed amendment.

- 153.** *Speaking on behalf of the Africa group*, a Government representative of Ethiopia welcomed the promotional and capacity-building activities and looked forward to the finalization of the global resource kit. ILO country-level assistance on implementing the Declaration should be tailored to specific development priorities, sectors, country contexts and levels of development. The intervention models should be flexible and interact with Decent Work Country Programmes to avoid duplication. The ILO should strengthen its collaboration with other organizations to advance the ILO's business and human rights agenda in order to promote the Declaration through other organizations' work; enhance its standard-setting role and expertise by incorporating the Declaration into discussions on the principles and scope of a legally binding instrument on human rights, transnational corporations and other business enterprises; actively participate in the upcoming Fourth Annual Forum on Business and Human Rights; and promote the mainstreaming of the Declaration in national actions plans and policies and its use by multinational enterprises. The Africa group considered that the Declaration did not need to be revised, since other instruments could complement gaps within the MNE Declaration. However, if the Office was convinced that a revision was necessary, it should provide detailed information at the next Governing Body session. The group asked that its request be incorporated in the draft decision.
- 154.** *Speaking on behalf of ASPAG*, a Government representative of the Republic of Korea said that the group fully appreciated the progress made in the implementation strategy of the MNE Declaration as a very timely and indispensable contribution to the 2030 Agenda for Sustainable Development and the Enterprise initiative. He fully endorsed the ILO mandate in relation to MNEs; the Declaration must be robust, credible and relevant. He also welcomed the inclusion of the Declaration in the G20 Framework on Inclusive Business and the cooperation with other international organizations. His group would appreciate further details on the information-gathering mechanism. It invited the Office to disseminate, before the 2018 review of the implementation strategy, the findings of its preliminary paper assessing the current state of knowledge about the economic and social impacts of MNEs prepared for the 2018 International Conference of Labour Statisticians. The paper could also inform the discussion on revising the Declaration. ASPAG supported the draft decision, including IMEC's proposed amendment.
- 155.** *Speaking on behalf of the EU and its Member States*, a Government representative of the Netherlands said that the following countries aligned themselves with the statement: Turkey, Serbia, Albania and the Republic of Moldova. The group supported the statement made on behalf of IMEC. The EU strategy on corporate social responsibility and other European policies and frameworks strongly promoted the Declaration. EU sectoral social dialogue in the field of corporate social responsibility and the EU review of Europe-based companies' transnational company agreements could support development of the global resource kit. The e-learning module should be widely promoted. The Declaration should be reviewed in view of the 2030 Agenda for Sustainable Development, the due diligence concept and the need for reinforced cooperation with other organizations. It would be important to consider the outcome of the 2016 Conference discussion on decent work in global supply chains as part of the review, but preparations should begin in advance of that discussion. He therefore supported the amendment proposed by IMEC.
- 156.** *A Government representative of Germany* said that the MNE Declaration was an important, necessary document that needed more international attention. To enhance its relevance and improve its implementation, it was important to revise and update it. During its presidency of the G7, Germany had emphasized stronger prevention, greater transparency and the need to improve complaint mechanisms to foster sustainable global supply chains, all of which were important considerations for the revision. The Declaration also provided a sound basis for practical measures. Its interpretation and dialogue procedures should be revived. The responsibilities of governments, the social partners and

civil society should be identified and incorporated in the implementation of the Declaration, and its objectives translated into easily comprehensible goals and activities. She supported the draft decision, with the amendment proposed by IMEC.

- 157.** *A Government representative of Italy* said the Declaration remained a fundamental document for enterprises, employers' and workers' representatives and governments. G20 ministers of finance and labour had emphasized the importance of understanding the factors that could accelerate job creation. The G7 had focused on responsible supply chains, calling for full respect of the core labour standards and for direct cooperation with the ILO, the OECD and the United Nations through the 2030 Agenda. Enterprises, trade unions and society must work to enhance trust among workers, employers, consumers and citizens. There was need for a common understanding of the due diligence concept and a practical approach in supply chains across different legal systems. Any initiatives such as product labelling or the provision of support to SMEs in complying with international standards must be based on tripartite dialogue in the countries concerned, through systems of mature industrial relations. The ILO could play a central role in such efforts. For the benefit of workers, enterprises and consumers, the Declaration should be revised, especially concerning supply chains.
- 158.** *A Government representative of the United Kingdom* affirmed the important roles of the tripartite constituents in the promotion of the Declaration. His Government attached special importance to business-led initiatives in relation to international labour standards and corporate social responsibility. The Declaration was being used to foster the creation of new frameworks for development cooperation, which would help ensure sustainable and inclusive growth. He welcomed the information in the report on collaboration with other international and intergovernmental organizations, and wished to know more about the role of the Declaration in recent developments such as the United Nations Guiding Principles on Business and Human Rights and the updated OECD Guidelines. The sustainable supply chain efforts of the G7 should also be considered. It was indeed the right time to review the Declaration and its impact. He supported the draft decision and the proposed amendment.
- 159.** *A Government representative of India* said the Declaration was well placed to guide enterprises with regard to Goal 8 of the 2030 Agenda. He noted progress on the implementation strategy and the global resource kit; welcomed the fact that some member States had aligned their country programmes with the promotion of the Declaration; and anticipated that the development of a results framework would help countries to increase the role of enterprises in development. The ILO played a key role as a focal point for discussion and dialogue in mainstreaming the Declaration. He welcomed the initiatives taken by the Office on the 2030 Agenda and other activities with international organizations. As the 40th anniversary of the Declaration approached, it would be timely to revise it to capture the current realities of globalization and sustainable development.
- 160.** *A Government representative of Cuba* said the Declaration had acquired new relevancy with the launch of the 2030 Agenda. He welcomed the activities undertaken to promote the Declaration and the technical cooperation projects in a number of countries. At the regional level, he highlighted the importance of the information-gathering process and the special session during the 18th American Regional Meeting in Lima for the promotion of the Declaration. In revising the Declaration, the general principles it enshrined must be maintained. Underscoring the importance of nationally-appointed focal points, mentioned in paragraph 31(b), he expressed support for the draft decision and the proposed amendment.
- 161.** *A Government representative of Kenya* welcomed the e-learning module and the forthcoming launch of the global resource kit. He expressed hope for greater involvement by governments, social partners and enterprises supplying MNEs at the country level. A

systemic tripartite approach at the country level was needed to mainstream the principles of the Declaration and accelerate the promotion of national labour standards in the context of Decent Work Country Programmes, labour administration and inspection. Promotion at the sectoral level should involve the Office. Empirical evidence of the economic and social impacts of MNEs would be valuable to developing countries. The barriers to the effective promotion of the Declaration were as described in paragraph 29. The mechanism for the implementation of the Declaration must be tripartite, inclusive and replicated at all levels.

- 162.** *A representative of the Director-General* (Deputy Director-General for Policy) said that following the United Nations Guiding Principles on Business and Human Rights and the updating of the OECD Guidelines, initiatives taken by the ILO's constituents had contributed to changing the environment in which the Declaration was implemented. Although the MNE Declaration certainly was very robust in many respects and continued to be the only truly comprehensive instrument for MNEs on labour and social issues, possible additional steps should also be considered.
- 163.** *A representative of the Director-General* (Director, Enterprises Department) said feedback from participants, Regional Meetings and ILO focal points had helped the Office make progress in implementing the Declaration. The helpdesk and the website had become well-established services; the scope of the subjects researched reflected that of the Declaration, and the Regional Meetings had sparked inquiries. There had been good uptake of the e-learning facility. Importantly, national ownership of initiatives linked with the Declaration was increasingly reflected through DWCPs. Work on the ground was driven by the constituents, as for instance in the mining sector in Zambia. Promotional measures had become mutually reinforcing, generating greater momentum. The Regional Meetings provided a good platform, as had been demonstrated in the Americas; preparations for the Regional Meeting in Africa were being finalized. By the end of 2015, the Office expected to have an intervention model and results chain for intended national action relating to MNEs and supply chains. It was working with the Turin Centre on expanding the training courses offered. Collaboration with the Mexican Department of Labour focused on gathering statistics on the impact of MNEs at the national level.
- 164.** *The Employer spokesperson* expressed support for the draft decision and the proposed amendment.
- 165.** *The Worker spokesperson* said that future work on supply chains and complaints mechanisms should be carried out in tandem with G7 and G20 processes and in the context of tripartite cooperation. The Workers' group supported the draft decision, as amended by IMEC.
- 166.** *Speaking on behalf of the Africa group*, a Government representative of Ethiopia affirmed that the members of the Africa group had agreed to accept the amendment to the draft decision.
- 167.** *The Chairperson*, in response to a question from a Government representative of Brazil, affirmed that the spirit of the amended text, in all language versions, was to propose how a review of the Declaration might be conducted, but not to decide whether it should be conducted. A decision on whether to conduct a review would be taken at the March 2016 session.

Decision

168. The Governing Body:

- (a) requested the Office to take into account guidance provided to enhance the impact of the implementation strategy for the MNE Declaration and related collaboration with other international and intergovernmental organizations;*
- (b) invited all ILO member States and tripartite constituents to give full support to the promotion of the MNE Declaration at the global, regional and country levels and to inform the Office of nationally appointed focal points; and*
- (c) requested the Office to propose modalities to review the MNE Declaration for decision by the 326th Session (March 2016) of the Governing Body.*

(GB.325/POL/9, paragraph 31, as amended.)

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