

# Governing Body

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Policy Development Section

POL

## Minutes of the Policy Development Section

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## Employment and Social Protection Segment

### 1. Follow-up to the Strategy on indigenous peoples' rights for inclusive and sustainable development, including implementation of the strategic plan for engagement with the United Nations system bodies and relevant regional organizations regarding the Indigenous and Tribal Peoples Convention, 1989 (No. 169) (GB.341/POL/1(Rev.1))

1. **The Employer spokesperson**, noting the importance of taking into account indigenous peoples' rights in development and post-pandemic recovery strategies, highlighted the need for the ILO to systematize information on good practices for prior consultation and intercultural dialogue and develop tools to improve those processes; assist governments in systematizing and validating information on indigenous peoples at the national level, including through inclusive processes; and strengthen the collection of labour market data, disaggregated by ethnicity and gender, to create solid public policies.
2. The ILO must continue to actively promote coherence and balance in the application of the Indigenous and Tribal Peoples' Convention, 1989 (No. 169), in law and in practice, particularly by clarifying diverging interpretations. The International Training Centre of the ILO (Turin Centre) had an important role to play in that regard, and should develop online training programmes on the Convention. In particular, training should be provided for court officials and parliamentarians, and training for the judiciary should aim to prevent court decisions that contradicted Convention No. 169. Employer organizations must be consulted on legislation concerning prior consultation, which must be consistent with Convention No. 169. Calls to align such legislation solely with the United Nations Declaration on the Rights of Indigenous Peoples must be resisted.
3. Significant efforts needed to be made through training, awareness-raising and information to build capacities for effective tripartite dialogue and intercultural negotiation. The ILO should consider an ongoing capacity-building plan for stakeholders, including business organizations and indigenous leaders. Similarly, indigenous institutions and their representatives needed to be in a stronger position to participate effectively in consultation processes.
4. Noting the need to eradicate practices that violated human rights, such as child labour in indigenous communities, he expressed concern that, in paragraph 23 of the document, no mention was made of the enormous potential of partnerships with employers' organizations in that connection, and he encouraged the Office to revise the document with a view to highlighting the importance of such partnerships in promoting entrepreneurship in indigenous communities. Furthermore, the Office should increase its initiatives to support entrepreneurship among indigenous women, also in cooperation with employers' organizations. Given the correlation between a lack of social protection for indigenous and tribal communities, informality and inadequate infrastructure, the ILO should seek innovative means of boosting formalization through public policies and programmes that involved the private sector.
5. Noting that the document did not report on the impact of partnership activities, he said that the ILO must strengthen its leadership role and promote partnerships and dialogue with other international organizations within the United Nations (UN) system to clarify standards and expectations, reach consensus and build coordinated mechanisms that

strengthened countries' knowledge and capacities to implement Convention No. 169 and undertake prior consultation correctly.

6. The ILO must strengthen its leadership in respect of Convention No. 169 and in respect of providing technical assistance for the constituents, which must enhance the positive role played by sustainable enterprises in creating employment and development opportunities for indigenous communities.
7. In the short term, the Office must increase its technical and operational capacities for work on indigenous matters, and its ability to mobilize development cooperation funds. The ILO Regional Office for Latin America and the Caribbean should appoint a regional specialist to promote the balanced application of Convention No. 169. The Office must also undertake research on lessons learned. Member States, particularly those that had ratified Convention No. 169, should strive to implement the provisions of the Convention rather than limiting themselves to undertaking consultation as understood under the 2030 Agenda for Sustainable Development (2030 Agenda). Lastly, the Governing Body should review the strategy's implementation in November 2022, and the Office should provide an activity report and an impact analysis. His group supported the draft decision.
8. **The Worker spokesperson** said that the historical inequities that had plagued indigenous peoples had become more visible during the COVID-19 pandemic, with a devastating impact. In many countries, indigenous communities had suffered abandonment, a lack of healthcare and increased violence and killings. Her group condemned that situation, stood in solidarity with the victims and called for an immediate end to the violence. In other countries, statements of goodwill towards indigenous communities did not extend to policies. The ILO had a role to play in ensuring that debts owed to indigenous communities were paid, and Convention No. 169 represented a useful tool for including indigenous communities in decision-making and policymaking.
9. Her group welcomed the global and regional estimates of population, employment and poverty in indigenous communities, which revealed that one third of indigenous and tribal peoples lived in Asia and the Pacific. Nevertheless, in that region, just two countries had ratified Convention No. 169. Increased effort was therefore required to promote understanding of the Convention, and thus its ratification, in that region; that could be done, for example, at the upcoming Asia and the Pacific Regional Meeting. Her group called on developed countries in Europe and North America to ratify and promote the Convention. Member States should not remain silent in the face of human rights violations perpetrated by multinational companies, particularly those in extractive industries.
10. It would be pertinent to translate the new tools on Convention No. 169 into the three official ILO languages and into other languages, including indigenous ones. The ILO should take active steps towards providing technical support to Member States that requested it, to close institutional and regulatory gaps. It was crucial to promote the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration), and pay special attention to Convention No. 169 when Member States wished to establish national focal points under that Declaration. Although the designation of 2021 as the International Year for the Elimination of Child Labour provided a good opportunity to tackle child labour in indigenous and tribal communities, it was important to find other opportunities to explore that issue as well. The Violence and Harassment Convention, 2019 (No. 190) and Recommendation (No. 206), 2019, should be taken into account in the implementation of the strategy. Further efforts should be made to support the relationships between indigenous and tribal

organizations and the social partners and to promote exchanges between trade unions and indigenous organizations on Convention No. 169. The Convention should be included in the design and implementation of the ILO's just transition agenda, in line with the discussions held at the previous Governing Body session, in particular when addressing the impact of environmental degradation on indigenous peoples' livelihoods. She highlighted the importance of supporting indigenous organizations and trade unions in the social and solidarity economy, and in the formalization of informal employment. Further clarification on the global and regional estimated employment rates for indigenous peoples in paragraph 6 would be welcome, as they gave the impression of a high level of employment, which did not reflect the reality of poverty and marginalization of indigenous peoples. Follow-up on the recommendations of the ILO's supervisory bodies was essential to promote the effective implementation of the Convention in law and in practice. Her group supported the draft decision.

- 11. Speaking on behalf of the Africa group**, a Government representative of Ethiopia called on the Office to continue working with the ILO constituents and other stakeholders to address the socio-economic challenges faced by indigenous and tribal peoples, particularly in the context of the COVID-19 pandemic. Her group supported the draft decision.
- 12. Speaking on behalf of the group of Latin America and Caribbean countries (GRULAC)**, a Government representative of Barbados noted that the challenges faced in his region in terms of eradicating poverty, reducing inequality and promoting social exclusion had been exacerbated by the COVID-19 pandemic. Emphasis should be placed on policies to create employment, stimulate investment and promote growth with equity and social inclusion, in order to provide the sound social policy framework that was needed to ensure that indigenous communities could enjoy full labour protection and exercise their rights. It was important to continue to address the vulnerabilities of indigenous and tribal women in the light of the pandemic by fostering economic empowerment through access to decent work. It was also important to reinforce support provided to entrepreneurs and cooperatives in indigenous and tribal communities, while including indigenous peoples with disabilities. Recalling that representatives of several countries in his region had participated in the Global Dialogue on Convention No. 169 that had been held in July 2019, he invited the Office to share its experiences on good practices regarding the establishment of mechanisms and procedures for the participation and consultation of indigenous peoples. His group appreciated the Office's efforts to promote the ratification and implementation of Convention No. 169 and supported the proposal to design an initiative to promote the Convention as a framework for advancing inclusive and sustainable development in regions where it was less visible. The implementation of Convention No. 169 was the responsibility of the Member States that had ratified it, within the scope of their respective national constitutions and legislation, and in accordance with their own legal interpretation of the Convention. Further information on the proposed interregional training and global dialogue on Convention No. 169 would be welcome. Within the framework of the Convention, the participation of indigenous peoples in activities relevant to advancing their rights should always be facilitated.
- 13. Speaking on behalf of the European Union (EU) and its Member States**, a Government representative of Germany said that North Macedonia, Montenegro, Serbia, Albania, Iceland and Norway aligned themselves with her statement. Noting that the COVID-19 pandemic had had a disproportionate effect on indigenous peoples and had exacerbated existing vulnerabilities, she said that the measures implemented in response to the pandemic must respect the rights of indigenous peoples and take into

account their specific needs. Furthermore, any measures that might affect them should be taken with their full participation and consultation. Convention No. 169 and the UN Declaration on the Rights of Indigenous Peoples were complementary and mutually reinforcing, and were essential for achieving the Sustainable Development Goals (SDGs). It was therefore vital for the ILO to continue to actively engage with UN system bodies and entities, including in the follow-up to the United Nations System Chief Executives Board for Coordination's call to action on building an inclusive, sustainable and resilient future with indigenous peoples, and with interested regional organizations. She encouraged the ILO to enhance the visibility and broaden the implementation of the Convention, including by scaling up country-level capacity-building and designing an initiative to promote it as a framework for advancing inclusive and sustainable development in regions where it was less visible. Reaffirming the commitment of her group to promoting indigenous peoples' rights, she expressed concern about the income inequality, heightened vulnerability to labour rights abuses and risk of extreme poverty faced by indigenous peoples, aggravated by the insufficient protection of their territories, and expressed support for measures to improve the situation of indigenous peoples, including through the empowerment of indigenous women and girls. She supported the draft decision.

- 14. A Government representative of the United States of America** said that the Office should take into account the needs of Member States in terms of labour market systems in its plans to implement the strategy. It should also take into account not only the abolition of child labour, but also the other fundamental principles and rights at work. Furthermore, it should strengthen the proposals for future action by describing the manner in which it would work to address the barriers to indigenous women's participation in decision-making and consider how its efforts could improve social protection systems for indigenous peoples and close gaps in coverage and protection. He supported the draft decision.
- 15. A Government representative of Canada** said that her Government's commitment to ensuring that the principles of equality, consultation, participation and cooperation as expressed in Convention No. 169 were complemented by its current focus on the implementation of the UN Declaration. She outlined the action taken in her country to protect and support indigenous families and communities, including in the context of the COVID-19 crisis, and urged all bodies and organizations throughout the UN system to work to enable the participation of indigenous peoples' representatives and institutions in meetings on issues affecting them. Her Government endorsed the draft decision.
- 16. A Government representative of Brazil** reaffirmed his Government's commitment to protecting and promoting the rights of indigenous and tribal peoples and provided detailed information on the measures being implemented in Brazil to support indigenous peoples during the pandemic. He reiterated his Government's concerns that the implementation of the strategic plan was unbalanced and selective, and that undue focus was placed on the few countries that had ratified Convention No. 169, most of which were in Latin America. The Office had not demonstrated the same level of efforts to actively promote the ratification of the Convention outside of his region, and in the past decade, only one country had been added to the list of ratifications.
- 17. A Government representative of Mexico** noted with appreciation the strategy's focus on job creation and the promotion of growth with equity and social inclusion. His Government had carried out a number of initiatives in line with Convention No. 169 and was committed to leave no one behind.

- 18. A representative of the Director-General** (Deputy Director-General for Policy) said that the seemingly high level of employment among indigenous and tribal peoples demonstrated in the recently published data could be explained by the fact that the statistical definition of employment had been used and the figures included all those of working age who, during a short reference period, were engaged in any activity to produce goods or provide services for pay or profit. They therefore included those in informal employment, in which many indigenous peoples were engaged, with poor working conditions and no social protection. As for why a reference had been made to trade unions but not to employers' organizations in paragraph 23, she underscored that alliances between trade unions and indigenous peoples' organizations were one specific way of reducing the vulnerability of workers to labour rights violations. However, employers' organizations and the private sector also played an important role in creating decent work opportunities and supporting indigenous entrepreneurs, to which an overarching reference was made in paragraph 13 of the document.
- 19.** A standards specialist had recently been recruited in Lima who would have regional responsibilities relating to the application of Convention No. 169. The envisaged interregional training would be developed in digital format and implemented in collaboration with the Turin Centre, and would focus on the scope of the Convention and challenges and opportunities related to its implementation. During the Global Dialogue on Convention No. 169 in July 2019, several participants had called for further such opportunities for dialogue and the Office would develop a more specific proposal in that regard for consideration by the groups, should support be demonstrated. Under the current circumstances, a virtual conference to discuss the use of the Convention as a framework for an inclusive and sustainable COVID-19 response, with a small number of participants from the three groups of constituents, seemed feasible.
- 20.** She noted the calls for the Office to continue to support constituents on the ground in Latin America and the Caribbean where the Convention had been widely ratified and where support for its better application was needed, including by engaging with indigenous and tribal peoples, judges, parliamentarians and other relevant groups. She also acknowledged the need for the Office to promote ratification in other regions. In addition, she acknowledged the need to include indigenous and tribal peoples across ILO policy outcomes as appropriate, especially in respect of productive and decent work and social protection. It was clear that the Office should continue to engage proactively in discussions on the Convention as a member of the UN family, and should continue to create opportunities for the constituents to engage directly in such discussions.
- 21. The Employer spokesperson**, noting that the recruitment of a standards specialist in Lima was very welcome, said that a specialist specifically focusing on Convention No. 169 was needed. He reiterated that it was important to develop innovative strategies with a focus on indigenous entrepreneurship and the breaking down of stereotypes and expressed appreciation of all those who had contributed to ensuring the ILO's leadership in the areas covered by the Convention.
- 22. The Worker spokesperson** asked the Government representative of Brazil to share the documentation relating to the information contained in his statement. The Office might consider amending the wording of paragraph 6 to avoid confusion over the estimated employment rates for indigenous peoples.
- 23. The Government representative of Brazil** said that his Government would be pleased to share a copy of his statement and the sources of the information provided.

## Decision

### 24. The Governing Body:

- (a) advised the Office with regard to the way forward in implementing the strategy for 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 and in facilitating extrabudgetary resources.

(GB.341/POL/1(Rev.1), paragraph 36)

## 2. Decent work and productivity (GB.341/POL/2)

- 25. **The Employer spokesperson** said that productivity could not be ignored as a driver of employment and decent job creation, particularly in the light of the COVID-19 pandemic. Productivity gains would benefit all constituents and contribute to addressing inequality and the transition to a formal economy. The ILO should act urgently to develop a culture of productivity with tripartite engagement. The Pan-African Productivity Association could be used as a model for other regions.
- 26. Highlighting the references to productivity in the ILO Centenary Declaration for the Future of Work, he emphasized that a comprehensive strategy was required, including a research component. Digitalization could be better harnessed to reverse the slowing of productivity growth observed in recent years. Productivity growth would lead to wage growth, development of sustainable enterprises and quality employment creation and required an evidence-based, integrated strategy. Any effective strategy should take into account the role of employers' organizations in macroeconomic policy development and implementation as agents of change in the business community that could bridge skills gaps. The recommendations in the document to create incentives, improve access to finance and simplify registration procedures, among other measures to increase productivity of informal businesses and accelerate the transition to a formal economy, should only be implemented as part of a framework that improved the quality of the business environment for all.
- 27. It was important to distinguish between labour productivity and total factor productivity, which was linked to a country's economic efficiency and governance, as well as social justice and decent work. Productivity growth was not a pro-employer measure, but a pro-employee measure that promoted equity. Therefore, any ILO strategy to promote productivity growth should focus at the macroeconomic level on promoting knowledge sharing, undertaking evidence-based research on micro and macro drivers of productivity growth for decent job creation; supporting capacity-building by leveraging the potential of the Turin Centre; and strengthening collaboration with other international organizations to ensure policy coherence across the multilateral system. Productivity enhancement should be included as a recurring theme in the annual *World Employment and Social Outlook* analyses, and partnerships should be developed with institutions, such as the World Economic Forum, that produced relevant research on an annual basis.
- 28. In order for the ILO to facilitate real change, a strategy on decent work and productivity must be developed and the programme and budget aligned with it. He therefore proposed that the draft decision should be amended to replace "in the implementation of the ILO's programme and" with "to develop a comprehensive and coherent Office-wide strategy on decent work and productivity" and to add a subparagraph: "(b) adjust

activities as required in the implementation of the ILO's Programme and Budget during the biennium to address the evolving requirements of the strategy on decent work and productivity."

- 29. The Worker spokesperson** said that the issue of productivity and decent work had been part of the ILO's work since the negotiations to adopt the Hours of Work (Industry) Convention, 1919 (No. 1). The context of the current discussion – unprecedented inequalities, climate change and global economic shock resulting from the COVID-19 pandemic – meant that efforts to enhance productivity were inseparable from those to address social justice and environmental resilience. The benefits of technological progress at the global level were not available to all and the expanding poverty gap had a negative impact on labour productivity. Research demonstrated a downward trend in all four pillars of decent work in recent decades, which had led to an inevitable decline in productivity. Constituents must reconsider their policy approaches to address these issues. The productivity ecosystem approach outlined in the document focused on a linear progression, in which productivity gains led to the distribution of economic gains, but did not consider how decent work might boost productivity and innovation. Both should be considered as part of the integrated policy framework proposed in paragraph 28 of the document.
- 30.** The ILO could make a major contribution to structural transformation at the macro level. However, the document did not sufficiently address the need for comprehensive industrial and trade policies to protect and foster industrial growth while respecting environmental boundaries and delivering decent jobs. The integrated policy framework should include the productivity factors outlined in the ILO's Global Employment Agenda, on which agreement had already been reached.
- 31.** The productivity ecosystem should also better address the pillars of decent work. That included minimum wages, incentivized productivity and the reallocation of workers to more productive companies. Lack of productivity growth was not an acceptable reason for poverty wages; the right to a living wage was a principle of social justice. Productivity gains should be shared with workers and the reallocation of workers should not have a negative impact on the stability of existing jobs. Furthermore, the negative impact of non-standard forms of employment and precarious employment when discussing productivity must be taken into account. Striving for full employment would encourage employers to utilize labour more efficiently; however, it was simplistic to suppose that technological innovation would translate directly to employment gains. The ILO must address how to protect job creation and retention while developing productivity. She agreed that labour institutions and social protection systems were key to an inclusive structural transformation. Collective bargaining, whether centralized or sectoral, and global framework agreements were the instruments best placed to facilitate productivity enhancement; any framework must therefore reflect the need for social dialogue, freedom of association and collective bargaining at all levels.
- 32.** Future discussions on productivity should more clearly consider issues relating to: how to formalize the informal economy, with particular focus on the poverty gap in developing countries where agriculture and the informal economy were significant; investment in social protection; investment in public education and skills training; the need for research into public sector productivity; ensuring that investment in key sectors such as infrastructure and the care industry translated into better living standards and working conditions; and ensuring that productivity gains were not made to the detriment of workers' health and safety.

33. She asked the Office to clarify the discussion in the document of the meso and micro levels of the productivity ecosystem. While she agreed that the different levels of the ecosystem interacted with one another and that the collective representation of workers and adequate social protection could contribute to a productive workforce, those ideas could be more clearly expressed.
34. The role of the ILO was to demonstrate that productivity and decent work were mutually reinforcing, ensure that productivity gains were more equally shared and fairly distributed through labour institutions, and create or strengthen industrial policies at the macro level, collaborating with other UN agencies and institutions at the global and regional level and with all relevant actors at the national level.
35. Lastly, she expressed support for the draft decision as proposed by the Office. The Employers' proposed amendment was premature and not supported; the issue was important, but not ripe to require an Office-wide strategy or the adjustment of activities under the programme and budget.
36. **Speaking on behalf of the Africa group**, a Government representative of Côte d'Ivoire recalled the important history of the issue of productivity and decent work in the ILO. There was indeed a need to reduce the productivity gap in order to fight poverty and stimulate growth and decent employment. However, insufficient progress had been made thus far; slowing productivity, reductions in wage levels and living standards and lack of social justice had had an impact on the global and national economies.
37. He expressed concern about the lack of quality employment creation in the Africa region, especially as the growth achieved had not resulted in real gains in living standards. Productivity policies should support growth by removing structural barriers. Strengthening the African Continental Free Trade Area would contribute to the region's productivity growth by boosting competition and efficiency.
38. Reaffirming the need to continue efforts to attain SDG targets 8.2 and 8.3, he said that the Office should develop a strategy that incorporated the elements listed in paragraph 28 of the document, with a focus on innovation and skills development. That strategy should be clear and detailed, and outline specific initiatives that would provide tailored technical assistance to African Member States. Lastly, he called on the Office to encourage constituents to better regulate the working and employment conditions of the most vulnerable workers.
39. **Speaking on behalf of the Asia and Pacific group (ASPAG)**, a Government representative of Bangladesh noted the delineation of the relationship between productivity growth and distribution of productivity gains in the document. Productivity growth was crucial for sustaining economic growth and creating employment, and the dividends of productivity growth must be shared with employees to ensure social justice and promote decent work. Prior to the COVID-19 pandemic, the introduction of new technologies and skills enhancement programmes had resulted in productivity growth in some developing economies. However, their informal sectors had not grown, owing to a lack of research to guide policy. The COVID-19 pandemic had increased unemployment and destabilized recruitment. Employment opportunities were unpredictable and access to employment was shrinking; a shift in policy and approaches was required in order to preserve decent work.
40. The introduction of new technologies, the development of workers' skills, and capacity-building were crucial for productivity growth. However, it was unclear how new technological development would affect productivity levels in the wake of the pandemic. Research was required to facilitate the progression to a higher stage of productivity, but

pre-pandemic productivity levels must first be regained. In that regard, constituents should share knowledge and technology at an affordable cost to enhance production efficiencies and develop workers' skills. Businesses should practice responsible conduct, apply the MNE Declaration and the UN *Guiding Principles on Business and Human Rights* and facilitate application of the fundamental principles and rights at work. Productivity gains must be shared with employees and constituents should uphold the principles of equity and social justice. Constituents should continue efforts to implement the Paris Agreement on Climate Change and the 2030 Agenda. Labour standards should not be used as protectionist trade measures, nor should the violation of fundamental labour rights be used as a means of comparative advantage. In that regard, ILO regional and country offices should continue to address country-specific needs. His group supported the original draft decision proposed by the Office.

41. **Speaking on behalf of GRULAC**, a Government representative of Barbados said that the document promoted an important discussion of productivity growth and its implications, noting that it acknowledged that decent work and productivity were mutually reinforcing in terms of implementing the ILO's programme and follow-up to the Centenary Declaration. They were also essential aspects of sustainable development and helped to reduce inequalities and poverty and empower vulnerable groups. His group supported the draft decision as amended by the Employers' group.
42. **Speaking on behalf of the group of industrialized market economy countries (IMEC)**, a Government representative of Finland said that full, productive and freely chosen employment was central to the future of work, as enshrined in the Centenary Declaration. Increased productivity, as the most sustainable way out of poverty and the key to competitiveness in global markets, must be accompanied by skills development, collective representation of workers, safe and healthy working conditions and social dialogue. Worryingly, in many countries, wage growth had not kept pace with growth in labour productivity. Given the interconnectedness of productivity, employment and sustainable development, a coordinated approach was essential.
43. While the analysis presented in the document was welcome, proposals for action and initiatives to stimulate productivity growth and implement the Decent Work Agenda would also be useful. The Office should develop an integrated policy framework, anchored in the Decent Work Agenda and its human-centred approach to the future of work, to address internal and external drivers of productivity, equitable growth and social and labour protection. The proposed productivity ecosystem was welcome. The growing gig and platform economies, while offering opportunities for workers, employers and society, posed challenges in respect of working conditions.
44. The Office should look into the productivity implications of digital labour platforms and leverage them for decent work. Cross-divisional cooperation should be encouraged, including with the Bureau for Workers' Activities (ACTRAV) and the Bureau for Employers' Activities (ACT/EMP) and other organizations, to leverage expertise on productivity and decent work. The Office should also work with constituents to build their capacities to improve productivity and promote decent work. IMEC supported the draft decision as presented by the Office.
45. **Speaking on behalf of the EU and its Member States**, a Government representative of Germany said that North Macedonia, Montenegro, Serbia, Albania, Iceland and Norway aligned themselves with her statement, and supported the IMEC statement. The COVID-19 pandemic had increased the productivity gap between large firms and micro, small and medium-sized enterprises, with informal enterprises lagging even further behind. Temporary and targeted support for sustainable and productive companies must be

continued, in order to safeguard employment during the crisis. Corporate governance and management practices must take account of social and environmental sustainability. Workers' health had a direct and measurable impact on productivity and the sustainability of social protection systems. Public and private investments would stimulate productivity and mitigate the effects of the pandemic.

46. Productivity growth required investment in lifelong learning and skills development, a conducive business environment and efficient management, strong workers' representation and social dialogue, as well as trade openness, appropriate taxation, better regulation, access to market, fair competition and the participation of small and medium-sized enterprises (SMEs) in global supply chains. New technologies and innovation were also crucial, in particular artificial intelligence and electronics.
47. In line with the Centenary Declaration, labour policies must promote full and productive employment and decent work for all and ensure healthy and productive working conditions. The ILO should encourage social dialogue as a contributor to equitable productivity distribution, better working conditions and wages and a reduction in wage gaps between low- and high-paid jobs. Measures to improve productivity and promote investment in education and lifelong learning must remain within the framework of the Programme and Budget for 2022–23. The Office's efforts to measure the relationship between decent work and productivity should be strengthened, in the context of implementing the Centenary Declaration and the Decent Work Agenda. The EU and its Member States supported the draft decision as proposed by the Office.
48. **A Government representative of Azerbaijan** said that, given the decrease in productivity in many countries over the previous decade and the impacts of the COVID-19 pandemic, innovative approaches were needed to bolster business and increase wages. His Government supported policies for innovation in micro, small and medium-sized enterprises, and for strengthening social dialogue, professional development and training, and increasing productivity by improving workers' well-being. Innovative policies in various economic sectors would be needed to recover from the COVID-19 pandemic and to safeguard progress towards poverty eradication and improving living standards.
49. Productivity would be improved through decent work, including by establishing trade unions to defend workers' interests; strengthening occupational safety and health; eliminating abuse and sexual harassment in the workplace; and eliminating discrimination. Structural economic transformation did not always improve productivity: in rural areas, interest in agriculture was declining, while in urban areas the number of informal workers was increasing. The productivity ecosystem would contribute significantly to the implementation of the Centenary Declaration and ensuring decent work.
50. **A Government representative of the United States of America** said that much of the material in the document merited further research, including: the role of labour institutions in achieving parity between productivity and wage gains; the need for evidence-based strategies to rekindle productivity growth and foster sustainable enterprise development; and the positive effects on productivity of workplace cooperation, better safety and health and addressing workplace violence and harassment. His Government would welcome further work and the launch of a research agenda to further explore the relationship between productivity and decent work. With regard to the draft decision, his Government aligned itself with IMEC.

- 51. A Government representative of the United Kingdom of Great Britain and Northern Ireland** agreed that addressing the skills mismatch across sectors would improve productivity and overall quality of work. Increased job security would increase productivity, which would improve standards of living. A keener analysis of productivity was needed, with an evidence-based, integrated, long-term strategy that put productivity growth at the forefront of societal and economic goals. Measures to formalize informal enterprises must also be informed by evidence.
- 52.** With regard to the reference to climate change as a driver of productivity growth, mention could be made of climate policy and the targets under the Paris Agreement. Many high-carbon industries relied on subcontracting, which should be taken into consideration in collective agreements. The proposed productivity ecosystem was particularly welcome; priorities should now be set to establish a coherent and targeted policy framework, focusing on the aspects of decent work most closely tied to increased growth and productivity.
- 53. A Government representative of Switzerland** said that productivity and working conditions went hand in hand. While much was being done to boost productivity at the enterprise level, interventions at the sectoral and macroeconomic levels were lacking. Productivity was crucial for economic growth and job creation, and could be boosted by better cooperation in the workplace, effective representation of workers, green production, and protection of occupational safety and health. Experience had shown that a strategic, coherent approach was essential to create a virtuous circle between productivity and decent work. The ILO should strengthen cooperation between its various departments and thereby become a lead organization.
- 54.** Together with the Government of Norway, Switzerland was working with the Office to develop the new productivity ecosystem, and pilot projects would be launched as soon as possible. Other donor governments were urged to join the initiative. Her Government supported the draft decision.
- 55. A Government representative of Ethiopia** noted that productivity was a key driver of economic growth, employment creation and the advancement of social justice, and consideration must be given to how it could translate into decent work for all in a situation where the digital divide, demographic challenges, climate change and the COVID-19 pandemic were all seriously affecting the world of work. Well-informed and responsible policies were needed. Social dialogue and collective bargaining were crucial to enhancing productivity and building sustainable enterprises. Occupational safety and health and labour inspection services should be strengthened to ensure full respect for the fundamental principles and rights at work. In a changing world of work and facing the impacts of the COVID-19 pandemic, her Government looked forward the ILO's continued support for national endeavours to enhance productivity, decent work and social justice.
- 56. A representative of the Director-General** (Deputy Director-General for Policy) expressed appreciation for the Governing Body's comments, in particular the acknowledgement of the symbiotic relationship between productivity and decent work, and the distinction that should be made between productivity growth and wage growth. Productivity was integral to the strategic framework on sustainable enterprises, which was being developed in a broad consultative process. The proposed approach was holistic, including support to enterprises and workers, and would cut across several ILO departments. Cooperation with other organizations would also be essential. The importance of social dialogue and the role of employers' and workers' organizations were well recognized in the strategies.

57. Emerging challenges, in particular the COVID-19 pandemic, in the context of a rapidly changing world of work were injecting a renewed sense of urgency. Research and collection of data on their impacts needed to be stepped up. A systemic approach underpinned the ecosystem and would not only allow governments to address productivity at the policy and strategic levels, but would also facilitate job creation, improved working conditions and economic growth.
58. The Office recognized the concerns with regard to non-standard forms of employment and formalization; social dialogue and the involvement of the social partners were crucial at all levels of the debate, but in particular in discussions on macro-level policy formulation. Strengthening industrial policies was part of a holistic approach and would be included in the productivity ecosystem model at the macro level. Digitalization and innovation should be promoted as drivers of productivity growth, but it must be recognized that the benefits of digitalization were not shared equally, particularly for SMEs.
59. **Another representative of the Director-General** (Director, Enterprises Department) said that the productivity ecosystem model addressed productivity through policy-setting, while recognizing sectoral and enterprise-specific needs, and workers' needs. The Office had held discussions with the Japan Productivity Centre and the Organisation for Economic Co-operation and Development (OECD), and intended to maintain those partnerships and build new ones. While some areas, such as SMEs and the informal economy, required targeted focus, the strategy would need to encompass all enterprises and should not be compartmentalized.
60. The Office's productivity research included an analysis of the activities of national productivity organizations in Africa, with assistance from Productivity South Africa and the Pan-African Productivity Association, and in the Caribbean. The ecosystem model had been tested in Europe, where it had been well received. A recent ILO report <sup>1</sup> showed the latest trends and policy responses with regard to facilitating economic diversification, efficient labour reallocation to productive sectors, and in-sector productivity growth. The ILO's Skills for Trade and Economic Diversification programme provided sectoral-level technical assistance for identifying the skills development strategies required for future successes in international trade and economic development. The Sustaining Competitive and Responsible Enterprises (SCORE) programme was based on the Kaizen methodology of continuous improvement and was operating in 23 countries. ACT/EMP and ACTRAV had produced guides on productivity for employers' organizations and trade unions, respectively.
61. Regarding the productivity ecosystem, a pilot project would be launched imminently in South Africa. The Enterprises Department was due to publish a report addressing the knowledge gap with regard to SMEs and their ability to use digital technologies to increase productivity by presenting two models: one for capabilities and one for external influences. The Office was exploring strategic partnerships with like-minded organizations to address digitalization more comprehensively. Potential areas for development had been identified with the United Nations Conference on Trade and Development (UNCTAD), including e-commerce and e-trade for women's programmes.
62. In terms of process, the Office continually promoted the use of social dialogue in reaching a win-win situation. Regarding the meso level, the root causes of poor productivity and working conditions in certain sectors would be addressed, and support

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<sup>1</sup> ILO, *Global Employment Policy Review 2020: Employment Policies for Inclusive Structural Transformation*, December 2020.

would be provided at the sectoral level. The micro level looked at enterprises, from a perspective of consulting, training, management practices and capacity, worker skills and workplace performance. The research agenda was rich. To build back better and greener, productive enterprises and decent employment were key, fostered through strategic thinking, collaboration and partnerships.

- 63. **The Employer spokesperson** said that ACT/EMP and ACTRAV should be included in the work being done on productivity by other ILO departments. The partnerships between the ILO and productivity organizations in Africa and with Switzerland and Norway were particularly positive. A holistic approach to productivity was essential; productivity should not be viewed simply as a way of increasing output and reducing costs.
- 64. The intention behind his group's proposed addition to the draft decision was to ensure that the productivity strategy was aligned with the programme and budget, as there was broad agreement on the impact of productivity on the ground. He requested that the proposed amendment be given due consideration.
- 65. **The Worker spokesperson** said that her group supported the original draft decision, as had the majority of Government group representatives.
- 66. **Speaking on behalf of the Africa group**, a Government representative of Côte d'Ivoire said that, given the Office's explanation, his group supported the initial draft decision, and asked the Office to pay particular attention to Africa in the implementation of the strategy.
- 67. **The Employer spokesperson** said that it was not clear how attention could be paid to productivity anywhere without financial backing. However, as there was little support for his group's view, he would join the consensus on the draft decision.

## Decision

- 68. **The Governing Body requested the Office to take into account the guidance provided during the discussion on decent work and productivity at its 341st Session (March 2021), in the implementation of the ILO's programme and in the follow-up to the ILO Centenary Declaration for the Future of Work.**

(GB.341/POL/2, paragraph 60)

## 3. Sectoral meetings in 2021 and proposals for sectoral work in 2022–23 (GB.341/POL/3(Rev.1))

- 69. In preparation for the adoption of a decision by correspondence, the Office held a briefing session for Governing Body members on this item on 25 February 2021.
- 70. The Screening Group agreed to put the item forward for a decision by correspondence on the understanding that the Office would publish a revised version of the document in which the draft decision would be reviewed to reflect the guidance provided by Governing Body members during the briefing session.
- 71. The decision contained in document GB.341/POL/3(Rev.1), was adopted by consensus and announced to all Governing Body members on 15 March 2021.

## Decision

### 72. The Governing Body, by correspondence:

- (a) endorsed the proposals contained in Appendices I and II to document GB.341/POL/3(Rev.1) relating to the dates, official title and composition of the global sectoral meetings in 2021;
- (b) decided, for the forthcoming technical meeting on education listed in Appendix II to document GB.341/POL/3(Rev.1), to request the Office to select as Chairperson an independent person with expertise on the matters covered by the agenda and to notify the meeting accordingly, and for the meetings on urban transport services and aquaculture, to appoint one of its members as Chairperson;
- (c) authorized the publication on the ILO website of the updated versions of the Guidelines for flag State inspections under the Maritime Labour Convention, 2006, as amended, and the Guidelines for port State control officers carrying out inspections under the Maritime Labour Convention, 2006, as amended, referred to in section II of document GB.341/POL/3(Rev.1); and
- (d) endorsed the programme of global sectoral meetings and other sectoral work for the biennium 2022–23 set out in Appendix III to document GB.341/POL/3(Rev.1), as recommended by the sectoral advisory bodies, subject to the approval by the International Labour Conference at its 109th Session (June 2021) of the corresponding allocations in the Programme and Budget for 2022–23.

(GB.341/POL/3(Rev.1), paragraph 22)

## Summary of written comments received during the consideration of the item by correspondence <sup>2</sup>

73. **The Workers' group** reaffirmed its support for the ILO's sectoral approach to the promotion of decent work. It welcomed the work done by the subsidiary body of the Special Tripartite Committee to produce consolidated versions of the updated ILO flag State inspection and port State control guidelines.
74. In relation to recurrent sectoral work, the group highlighted the importance of promoting the ratification and implementation of sectoral Conventions and Recommendations, and the implementation of sector-specific codes of practice, guidelines and tools. Conclusions and recommendations adopted at sectoral meetings should be prioritized, and sector-specific instruments and tools should subsequently be developed to improve working conditions and labour relations. In light of decent work deficits, exacerbated by digitalization and automation, particular attention should be given to sectoral global supply chains, taking into account the conclusions of the 105th Session of the International Labour Conference (2016) in that regard. The Office should continue to work in partnership with other UN agencies to further the labour agenda. Furthermore, it should develop its work to promote decent work in global supply chains, with particular regard to their national and international regulation.

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<sup>2</sup> The complete text of each comment in the original language is available on the [Governing Body's web page](#), together with the decision.

75. The group welcomed the recommendations of the sectoral advisory bodies, and emphasized that when the final titles of meetings were being decided, the discussions of those bodies should be taken into account. The title of the technical meeting on COVID-19 and sustainable recovery in the tourism sector should include a reference to labour and the meeting should address occupational safety and health, social protection and updating skills. The title of the technical meeting on a green, sustainable and inclusive economic recovery for the civil aviation sector should include a reference to labour and should address working conditions. The main focus of the technical meeting on the future of work in the oil and gas industry should be on just transition. The group recommended that an additional meeting should be dedicated to the manufacturing sector, as the proposals presented on green technology and the changing patterns in the steel industry had garnered tripartite interest. The Office should allocate sufficient funds to implement the recommendations of the sectoral advisory bodies regarding the organization of tripartite regional and national meetings in the sectors of road transport, artisanal and small-scale mining, forestry and railways.
76. The group welcomed the proposed programme of global sectoral meetings for 2021, which included those postponed from 2020, and encouraged the tripartite engagement to achieve substantive results. The group agreed with the dates proposed in Appendix II, including for the Meeting of Experts to revise the 1992 *Code of practice on safety and health in construction*. Finally, the group invited the Office to request the Governing Body to allocate sufficient funds to hold the technical meeting on the impact of digitalization in the finance sector in 2022.
77. **The Government of Italy** highlighted that there was no reference in the draft decision to the manufacturing sector, a sector of particular importance for the Italian and world economies, which had been severely hit by the pandemic. Sectoral meetings should be planned to study that impact in depth.
78. **IMEC** supported the ILO's sectoral approach to the promotion of decent work, which included addressing issues of gender equality and non-discrimination, through the development of sectoral policies that promoted decent work and enhanced productivity. The Office should continue to strengthen strategic partnerships across the UN system to promote policy coherence and leverage support for decent work. The group welcomed the Office's ongoing contribution of sector-specific knowledge on the impact of the COVID-19 pandemic, providing guidance and tools to assist in protecting workers, sustaining enterprises and developing strategies for resilience. The group took note of the proposed list of global sectoral meetings for 2022–2023, contained in Appendix III to document GB.341/POL/3(Rev.1). Thanking the members of the sectoral advisory bodies for their work, the group supported the draft decision contained in paragraph 22 of document GB.341/POL/3(Rev.1).
79. In the statement on behalf of the **EU and its Member States**, it was noted that Turkey, North Macedonia, Montenegro, Serbia, Albania, Norway, the Republic of Moldova and Georgia aligned themselves with the statement. The ILO's sectoral work was of great value as a means to achieve the goal of decent work for all, particularly in the context of the COVID-19 pandemic. The EU and its Member States supported the ILO's approach to sectoral work and implementing sectoral policies.
80. The dissemination of revised ILO guidelines for inspections under the Maritime Labour Convention, 2006, as amended, was welcome, and the EU and its Member States thanked the Office for its excellent organization of the sectoral advisory bodies in January 2021; a broad range of topics for sectoral meetings had been selected and would lead to fruitful debates and outcomes. In particular, they thanked the constituents for their

unanimous support for the proposed technical meeting on COVID-19 and sustainable recovery in the tourism sector, which should, preferably, be organized for early 2022 and explore how the COVID-19 crisis could be used as an opportunity to improve sustainability and resilience in tourism.

81. The EU and its Member States reiterated their call for the transition to formality to be integrated into ILO sectoral work and for a tripartite meeting of experts on ensuring decent work in the platform economy to be organized during the second half of 2021, as proposed by the Office in document GB.341/INS/3/1.

## Development Cooperation Segment

### 4. ILO Development Cooperation Strategy 2020–25: Implementation Plan (GB.341/POL/4)

82. **The Employer spokesperson**, recalling the extensive discussions held and the decision adopted on the item at the 340th Session, said that the implementation plan should address the gaps identified during those discussions and must include Organization-wide strategies to ensure internal policy and programmatic coherence with the priorities set out in the ILO's Strategic Plan for 2020–25 and the Programme and Budget proposals for 2022–23. She recalled the importance of development cooperation in advancing the ILO's mandate and in strengthening the ILO's comparative advantage of tripartism and social dialogue. The social partners should participate in the setting of development cooperation priorities and resources should be mobilized to strengthen social dialogue and institutions at the national level to facilitate such activities. That was of particular importance in the context of the recovery from the COVID-19 pandemic, which would require more dialogue-based solutions.
83. The 2023 mid-term review should demonstrate that the constituents were better able to contribute to, operate and make use of their dialogue mechanisms, as a result of development cooperation. There should also be clear evidence that the constituents had been consulted on and agreed with the design and implementation of projects within the framework of the Decent Work Country Programmes (DWCPs). It was important to know how the ILO's development cooperation activities were making a difference, especially in terms of addressing immediate challenges and strengthening the institutional foundations of social dialogue. It was regrettable that, although paragraph 13 of the document referred to the learning that would emerge from the implementation of the Strategy, it did not elaborate on what those lessons might be or on how the Office would use them to improve. In that connection, the implementation plan should build on relevant lessons from evaluations and analyses that had already been carried out.
84. Turning to proposed action 2.4 on collaboration with the private sector and other non-State actors, she said that, while such collaboration could be beneficial, it must not undermine the role of the social partners, and should be conditional on contributions to the DWCPs and on agreement of the social partners. She noted the explanation of the monitoring framework provided in paragraph 11, and expected that framework to be assessed as part of the mid-term review. She also acknowledged the planned development of an internal management plan outlining responsibilities and timelines. The "whole-of-ILO" approach should be applied to development cooperation at the conceptualization and planning stages as well as at the implementation stage, to avoid

duplication of work and silos and promote coherence across policy and programmes. She looked forward to the 2023 mid-term review and supported the draft decision.

- 85. The Worker spokesperson** welcomed the implementation plan, which took account of concerns raised at the Governing Body's previous session. His group would support and participate in coordination efforts through consultations. It was hoped that the process for evaluating and approving public-private partnerships (PPPs) would be fluid and simple, as highlighted during a previous session on the high-level evaluation on PPPs. Regarding focus area 1, the social partners, rather than non-governmental organizations, must be the main beneficiaries of the ILO's development cooperation. While it was indeed useful to build partnerships and engage as many parties as possible in the implementation of the Decent Work Agenda, the Office should always consult with the social partners before beginning any project.
- 86.** On monitoring and evaluation, he asked how the long-term impacts of the ILO's development cooperation on workers' rights would be evaluated beyond the next biennium. Evaluations based primarily on impact assessments could lose sight of or underestimate long-term impacts; seemingly minor progress could in fact have a major impact on decent work over the long term. The Workers' group supported the implementation plan and urged the Director-General to take account of the Governing Body's guidance when putting the plan into practice.
- 87. Speaking on behalf of the Africa group,** a Government representative of Senegal said that development cooperation would be critical to a sustainable development-based recovery from the social and economic crises caused by the COVID-19 pandemic, and to ensure decent work for all, with no one left behind. Those principles were central to the Decent Work Agenda and the DWCPs in place in many African countries. Cooperation must also target the millions of workers in the informal economy, while strengthening labour market institutions.
- 88.** The implementation plan would only be effective in Africa if due account was taken of the region's priorities, lack of resources and the significant challenges it faced with regard to decent work. The ILO should take into account the specific nature of African countries, and its cooperation with African institutions must be dynamic and well-structured, optimizing the knowledge and experience which could be used for large-scale development programmes. Focus area 4 on results and transparency was particularly important. The Africa group supported the draft decision.
- 89. Speaking on behalf of ASPAG,** a Government representative of China said that development cooperation was critical to the ILO's efforts to implement the Centenary Declaration and realize the SDGs, while providing essential field services to constituents through DWCPs. Furthermore, development cooperation would be key to ensuring a sustainable recovery from the COVID-19 pandemic. The implementation plan must therefore be used to continuously enhance the quality of the ILO's development cooperation activities at the global, regional and country levels. The deliverables presented in the plan were appropriate, and had been well combined with qualified and quantified targets. South-South and triangular cooperation and the cooperation with the Turin Centre were particularly appreciated.
- 90.** Clear links had been made between the proposed actions and corresponding outputs under the policy and enabling outcomes of the Programme and Budget proposals for 2022-23. Constituents' needs should be at the heart of the ILO's development cooperation, with the provision of agile and adapted field services. The Governing Body's guidance on other relevant agenda items should also be taken into account. The Office

should step up efforts to mobilize voluntary funding, including from international financial institutions, other UN agencies and the private sector. Progress and specific outcomes under the Development Cooperation Strategy should be monitored and reported to the Governing Body in a mid-term review in 2023 with a reflection on experience gained and the lessons learned. ASPAG wished to endorse the draft decision.

- 91. Speaking on behalf of GRULAC**, a Government representative of Barbados commended the alignment of the implementation plan with the Centenary Declaration, the programme and budget and the SDGs. The principles established by the High-level United Nations Conference on South-South Cooperation, BAPA+40, should guide the cooperation conducted with the ILO. GRULAC noted with appreciation the progress monitoring system, in which the key deliverables referred to the outputs and indicators contained in the Programme and Budget proposals for 2022-23. That alignment would ensure strategic cohesion and avoid duplication of work when reporting progress.
- 92.** The ILO as a whole should be involved in implementing the Development Cooperation Strategy, through continuous cooperation between headquarters and field offices. Countries should be actively involved to ensure that development cooperation was demand-driven and in line with national priorities. Funding sources for partnerships should be expanded and diversified. Proposed action 1.4 was especially positive, highlighting the potential of South-South and triangular cooperation modalities for achieving decent work, productive employment and sustainable development. GRULAC supported the draft decision.
- 93. Speaking on behalf of IMEC**, a Government representative of Ireland said that that development cooperation was key to ensuring a human-centred recovery from the COVID-19 pandemic. The implementation plan's links to the Centenary Declaration and the SDGs were welcome. The plan's sections on strategic partnerships for policy coherence and funding were robust, and its attention to deliverables on labour standards and social dialogue were commendable, as was its emphasis on national ownership, transparency, efficiency and mutual accountability. The acknowledgement of the importance of cooperation between field offices and ILO headquarters was also welcome. Communication, coordination and oversight across the Organization must be enhanced. Proposed action 4.1 was crucial; development cooperation could only be successful with specific and measurable results, and targets set in advance. The review of results must assess progress, impact and effectiveness.
- 94.** The ILO should continue to build strategic partnerships for development cooperation in the world of work, including through the United Nations development system. Adequate human and financial resources would be needed to implement the Strategy. Collaboration with international financial institutions and other multilateral partners was welcome, particularly to bolster COVID-19 recovery. IMEC therefore wished to see explicit mention of the World Bank in the implementation plan. The 2023 mid-term review should assess progress made and the impact of COVID-19, with a view to strengthening the implementation plan and taking account of the Programme and Budget proposals for 2024-25. Lastly, IMEC encouraged the Office to improve the procedures for and quality of reporting in anticipation of that review. On that basis IMEC supported the implementation plan.
- 95. A Government representative of Bangladesh** said that development cooperation was crucial to implementing the Centenary Declaration and attaining the SDGs. South-South and triangular cooperation were particularly appreciated, as was the work of the Turin Centre to promote decent work among constituents and other partners. Enhanced

effectiveness of the Office's development cooperation would benefit the tripartite constituents in Member States.

- 96.** The outcomes of deliverables under the four focus areas should be regularly monitored to facilitate reporting. Country-specific needs must inform the Office's priorities. The world of work was facing extreme challenges, with a record number of people jobless, unprecedented disruption in employment, and a shrinking economy. A human-centred recovery from the pandemic was therefore essential, and could only be achieved with development cooperation.
- 97. A representative of the Director-General** (Deputy Director-General for Field Operations and Partnerships) welcomed the Governing Body's guidance and said that the Office had taken due note of the comments made, in particular with regard to results-based management, building partnerships, and the importance of ensuring national ownership of development cooperation. The primacy of international labour standards must be respected, along with the principles of tripartism and social dialogue.
- 98. Another representative of the Director-General** (Director, Partnerships and Field Support Department) also thanked the Governing Body for its strong support and guidance, and underscored that the primary objective of the Development Cooperation Strategy was to support tripartite partners and achieve decent work outcomes. Development cooperation would be constantly assessed and adjusted to meet countries' needs. The Office wished to thank all funding and development partners for their support and in particular for granting a significant degree of flexibility, which had allowed the Office to be agile, innovative and adaptive in 2020. The ILO would continue to be guided in its cooperation with the private sector by PPPs and the implementation of the relevant recommendations of the high-level evaluation of PPPs.
- 99.** The ILO's normative work was indeed a long-term investment. While individual projects and programmes had their own time frames for implementation, their contribution to the achievement of the programme and budget's policy outcomes was reflected in programme implementation reports and in target-setting for future programme and budget proposals. Lastly, the Governing Body's advice with regard to the mid-term review and the adjustment of the implementation plan in line with the Programme and Budget proposals for 2024–25 was particularly welcome. An internal management work plan would be developed, involving all levels of the Office, to put the implementation plan into practice.

## Decision

- 100. The Governing Body endorsed the implementation plan proposed in document GB.341/POL/4 and requested the Director-General to consider the Governing Body's guidance when carrying out the plan.**

(GB.341/POL/4, paragraph 15)

## Multinational Enterprises Segment

- 5. Promotional activities with regard to the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy and related developments outside the ILO (GB.341/POL/5)**
- 101. The Employer spokesperson** confirmed the strong support of the Employers' group for the Tripartite Declaration of Principles concerning Multinational Enterprises and Social

Policy (MNE Declaration). Increasing the number of governments, workers' and employers' organizations, and multinational and national enterprises that were implementing the principles of the MNE Declaration would drive the Declaration's impact, regardless of whether direct reference was made to the instrument.

102. National focal points would be most effective if efforts to establish them were driven by national tripartite constituents. The equal weight given in the Declaration to using similar tools and processes where they existed, rather than setting up separate focal points, meant that the Office should not favour one approach over the other.
103. At the country level, the Office must ensure the full engagement of the tripartite constituents in ILO projects with other organizations, and those projects must coordinate in that regard with the relevant Decent Work Teams. Stronger collaboration with other ILO programmes and projects, such as the Vision Zero Fund, should be the norm. The "One ILO" approach required each project or programme to focus on its core mandate and avoid engaging in multiple issues.
104. The Employers' group strongly supported the ILO Helpdesk for Business and requested that sufficient resources be made available to respond to the increasing number of queries received. Tools for enterprises should respond to constituents' needs, which should be assessed and incorporated through adequate consultation at the design stage. The joint EU-ILO-UN-Women "WE Empower" project for example had provided little of the intended practical support to employers' organizations and enterprises on women's economic empowerment through responsible business conduct as the national employers' organizations in the three target countries had decided not to engage in the project because of the lack of consultation in the design phase of the project.
105. The process of drafting a legally binding instrument to regulate, in international human rights law, the activities of transnational corporations and other business enterprises remained controversial and there was evidence of diminishing support for it. The Employers' group appreciated the concerns expressed by the Office with regard to the proposed establishment of an ISO technical committee on social responsibility, since that work could create divergence from or even undermine international labour standards.
106. Given that the ILO and its constituents already participated in the annual UN Forum on Business and Human Rights and the annual OECD Global Forum on Responsible Business Conduct, instead of creating an ILO forum on the decent work aspects of responsible business practices, the Organization's resources could be more efficiently deployed by driving continued participation in those forums. Similarly, since the Office already cooperated and coordinated with the other multilateral bodies concerned through the annual forums mentioned, Alliance 8.7 and the Global Business Network on Forced Labour, it should assess how to strengthen existing collaborations and the understanding of the principles articulated in the MNE Declaration, rather than focusing on an alliance on business and decent work. The Office should avoid engagements that could diffuse resources and dilute the impact of the Declaration in the core area of the world of work. It should focus on promoting the principles set out in the Declaration and using them to bring tripartite constituents together to organize collective action at the national level to address challenges on the ground. The Employers supported the draft decision.
107. **The Worker spokesperson** welcomed efforts to promote the MNE Declaration, in particular through the web portal and the expanded training portfolio of the Turin Centre, and noted widespread use of the guide to the Declaration. Noting work done

with other organizations to highlight the Declaration in relevant global debates, the Workers welcomed the proposal to establish an ILO forum on the Declaration to allow constituents to discuss steps taken, opportunities and challenges, and to prepare regional and subregional activities. Every ILO regional meeting should have a formal session to exchange views on the promotion and application of the Declaration at the regional, subregional and national levels; such a session would also provide an opportunity to promote follow-up mechanisms for the national focal point, the company–union dialogue and similar processes. The Office should therefore make timely preparations to include a formal session at the Asia and the Pacific Regional Meeting. The Workers supported the proposal to launch the follow-up process for the European region ahead of the 11th European Regional Meeting.

- 108.** With regard to promotional work at the national level, the Workers called on the Office to continue providing assistance to Member States to appoint national focal points on a tripartite basis, and called for Member States to step up their efforts in that regard. He welcomed forums for exchange between the home and host countries of multinational enterprises, ongoing development cooperation projects to address decent work challenges in supply chains and design policies based on the guidance of the MNE Declaration, and noted the relevance of the ILO Helpdesk for Business and the receipt of six requests for company–union dialogue. He requested that workers’ organizations should be included in the pilot of the self-assessment tool for enterprises, underlining the responsibility of companies to respect human rights.
- 109.** Remarking that several global framework agreements referred to the MNE Declaration, the Workers welcomed the continued high-level engagement of the ILO on business and human rights. Work on the second revised draft legally binding instrument to regulate, in international human rights law, the activities of transnational corporations and other business enterprises was evolving positively. With further global coordination, major steps could be taken to place people and the planet before profit.
- 110.** The Workers supported the proposal to establish an ILO forum to promote the MNE Declaration, which should be accompanied by the formalization of agreements with other international organizations and provide an opportunity to explore social policy scope and the potential to promote decent work and align business operation with national development priorities. That would establish the Declaration more firmly as a key element in promoting respect for labour rights and decent work. The Workers supported the draft decision.
- 111. Speaking on behalf of the Africa group,** a Government representative of Cameroon, expressing appreciation for the Office’s efforts to promote the MNE Declaration, noted that it was cited in the Abidjan Declaration of December 2019 as a key element of the Decent Work Agenda for Africa 2020–2030, and called for support from the Office in that regard. The Office should monitor the follow-up to the MNE Declaration in all regions. Congratulating those who had already appointed national focal points for the Declaration, the group encouraged the Office to introduce a platform for the exchange of good practices to help Member States make the most of that operational tool.
- 112.** With regard to development cooperation, the Office should strengthen collaboration with all development partners and national, regional and global institutions to follow up on and raise awareness of the opportunities offered by the MNE Declaration. Tripartite constituents should formulate development projects and the Office should continue lobbying regional and international specialized institutions to assist the countries most affected by the COVID-19 pandemic, particularly through capacity-building programmes

for the affected SMEs and local businesses. The Africa group supported the draft decision.

- 113. Speaking on behalf of ASPAG**, a Government representative of Thailand welcomed the various and sustained activities to promote the MNE Declaration among governments, social partners and enterprises. The meaningful observance of the Declaration was essential to realizing the objective of decent work for all. The facilitation, rather than just promotion, of dialogues between the host and home countries of multinational enterprises on issues of mutual concern promoted the shared responsibility for business operations and investments and advanced the realization of a human-centred approach to the future of work. Some countries considered that, while foreign direct investment was essential to the progress of developing countries, the role of multinational enterprises in the economy diminished the capacity of Member States with developing economies to fully protect their worker constituents and could impact their ability to respond to old and new challenges. The Office, by facilitating such home-host country dialogues was therefore making a meaningful contribution to easing the challenges of advancing social justice through decent work, even while relying, in part, on foreign direct investment to do so. The Office should pay particular attention in its work to the observance by home and host countries of multinational enterprises of the imperatives of social justice through decent work. ASPAG supported the draft decision.
- 114. Speaking on behalf of a large majority of countries of Latin America and the Caribbean**, a Government representative of Barbados said that the context of high unemployment and major challenges following the COVID-19 pandemic called for continued efforts by the ILO to provide technical assistance and cooperation to its tripartite constituents. He highlighted the ILO's efforts to create partnerships and its fundamental role in promoting responsible business conduct, noting the Responsible Business Conduct in Latin America and the Caribbean project. GRULAC took note of the reference in the document to the sixth meeting of the open-ended intergovernmental working group on transnational corporations and other business enterprises with respect to human rights that had been tasked with drafting a legally binding instrument in that area. The group welcomed the tools developed to promote women's economic empowerment. Additional information would be appreciated on the proposed ILO forum on the decent work aspects of responsible business practices. GRULAC supported the draft decision.
- 115. Speaking on behalf of IMEC**, a Government representative of the United States of America emphasized the importance of the operational tools used to promote implementation of the MNE Declaration, including the company-union dialogue, and welcomed efforts to support and expand the use of national focal points. The Office should continue to promote the MNE Declaration web portal and the ILO Helpdesk for Business, the online training provided by the Turin Centre, and the tools developed for enterprises. Work to link the Declaration to Better Work and the Vision Zero Fund was appreciated, as were efforts to centre the principles of the Declaration in the definition of responsible business conduct and initiatives to build back better following the COVID-19 pandemic, as well as to link UN work on business and human rights to ILO standards. IMEC encouraged the Office to cooperate with the OECD on the stocktaking exercise of its *Guidelines for Multinational Enterprises*.
- 116.** The Office should further emphasize the central roles of freedom of association and collective bargaining, industrial relations and social dialogue in human rights due diligence, and, given that it was the International Year for the Elimination of Child Labour, should strengthen the role of the Declaration in that work. The ILO's contribution

to the development of due diligence guidance by the OECD was welcome. The ILO should enhance its profile in the multilateral system in the area of business and human rights and establish the MNE Declaration more firmly as a lead international instrument.

- 117.** The ideas discussed in Part C of the document as the way forward in promoting the MNE Declaration should be further elaborated in a specific, measurable, realistic and time-bound format for presentation to the Governing Body in November 2021. The Office should research the specific institutional gap that could be filled by an ILO forum on the decent work aspects of responsible business practices and that forum's intended outcome, and share its findings with the Governing Body. IMEC supported the draft decision.
- 118. Speaking on behalf of the Association of Southeast Asian Nations (ASEAN),** a Government representative of Thailand, noting efforts made by the Office to promote the MNE Declaration, highlighted activities in the Member States of ASEAN under the EU-ILO-OECD Responsible Supply Chains in Asia programme, and encouraged the Office to carry out further promotional activities on the request of ASEAN Member States. The ILO Helpdesk for Business and the translation of the training guide on *Labour standards in global supply chains* into several languages were appreciated, and he encouraged the provision of such services in all official languages of ASEAN Member States to better equip beneficiaries to claim their rights and recognize their obligations. To better promote the Declaration, the Office should take into account: the needs of different economic sectors due to the COVID-19 crisis; the transfer of technology and knowledge from home countries to host countries; the role of multinational enterprises in developing and improving the skills of workers in host countries and in promoting compliance with international labour standards in domestic supply chains; and the opportunities for dialogue between worker representatives in host countries and multinational enterprise owners in home countries to peacefully resolve labour disputes.
- 119. Speaking on behalf of the EU and its Member States,** a Government representative of Germany said that North Macedonia, Montenegro, Albania, Iceland and Norway aligned themselves with the statement. She reiterated her group's support for the MNE Declaration and for the ILO's promotional activities including through development cooperation projects supported by the EU and its Member States. The EU and its Member States welcomed the strengthening of the ILO Helpdesk for Business and stressed the importance of promoting the MNE Declaration at the country level by adapting tools and capacity-building to local contexts. The EU and its Member States actively promoted national and international efforts to implement responsible business standards and therefore welcomed the alliance between UN agencies and the OECD, urging a cooperative approach.
- 120.** The EU and its Member States promoted human rights and decent work in global supply chains. As the number of mandatory due diligence regulations increased, so too would the MNE Declaration's relevance. National focal points, supported by the constituents, should be appointed where similar tools and processes linked to the MNE Declaration's principles were lacking. Her group supported the approach taken to promote the Declaration and its implementation by ILO Member States, international organizations and enterprises, and it welcomed the Office's planned activities, as set out in Part C of the document. She requested more information on those plans and invited the Office to provide an update to the Governing Body in November 2021.
- 121. A Government representative of Japan,** noting the MNE Declaration's particular importance in the context of the COVID-19 pandemic and the drive to build back better, observed that development cooperation projects, to which Japan contributed in various

areas including global supply chains, especially in Viet Nam and Pakistan, were vital in promoting the Declaration's principles. He commended the ILO's efforts to implement those projects and expressed his Government's support for its continued efforts to achieve decent work for all.

- 122. A Government representative of Panama**, after summarizing the progress made in his country in relation to the MNE Declaration, which included legislation to ensure decent work for global supply chain workers and the creation of free trade zones, said that some of the Declaration's principles were applicable to both multinational and national enterprises, which must be held to the same standards. His Government's efforts, for example with regard to employability and living standards, aligned with the Declaration's principles, and he commended the Office, the Organization and its Member States for their commitment to the issues addressed therein.
- 123. A Government representative of Ecuador** welcomed the document's reference to the Responsible Business Conduct in Latin America and the Caribbean project, which had contributed to his country's national action plan on business and human rights and to training for SMEs and employers' organizations, as well as its mention of the open-ended intergovernmental working group on transnational corporations and other business enterprises with respect to human rights. That working group was chaired by his Government, and its work to draft a legally binding instrument on human rights and transnational corporations had enjoyed broad participation and prioritized access to justice for victims of human rights violations, while aligning with the MNE Declaration and other instruments. He urged the Office and all constituents to participate in that drafting process. His Government supported the draft decision.
- 124. A Government representative of Chile** urged the ILO to maintain its technical assistance for the constituents given the challenges posed by the COVID-19 pandemic, and highlighted the Organization's important role in creating partnerships and promoting responsible business. He welcomed the document's reference to the Responsible Business Conduct in Latin America and the Caribbean project. His Government had worked with the social partners on work and responsible business, and his country's progress in that area was thanks in particular to the OECD National Contact Point for Responsible Business Conduct. His Government would welcome specific information on other countries' experiences of appointing national focal points for the promotion of the MNE Declaration, and it supported the draft decision.
- 125. A Government representative of Thailand** commended the Office for its continued efforts to promote the MNE Declaration, particularly the provision of information in the Thai language through the website of the ILO Helpdesk for Business. The MNE Declaration was central to promoting decent work for all and building back better following the COVID-19 pandemic. His country had well-established labour standards and good practices for multinational enterprises, and the Ministry of Labour had engaged actively with the Responsible Supply Chains in Asia programme; he thanked the ILO, EU and OECD for their support in implementing the programme. The Office should continue its promotional activities, particularly its support for dialogue between home and host countries.
- 126. A representative of the Director-General** (Deputy Director-General for Policy) thanked all speakers for the strong support expressed for the promotional activities of the MNE Declaration. She said that policy coherence was an important aim of the ILO's engagement with other organizations, and the Office would continue to support the governments and social partners in their awareness of the expectations set out in the

MNE Declaration, and in accessing tools and engagement opportunities to assist them in bringing about lasting change.

- 127.** Although the ILO's participation in international forums hosted by other organizations allowed it to promote the Decent Work Agenda, international labour standards and social dialogue, its main effect was to increase the visibility of other organizations' agendas. An ILO forum on business and decent work, as proposed in the document, would raise the profile of the MNE Declaration and ILO programmes. The target audience would be the parties addressed in the MNE Declaration, namely governments, employers' and workers' organizations, enterprises and multi-stakeholder partnerships, and the forum could be organized for the first time in 2022. Should the Governing Body express support for such a forum, the Office would begin consultations on its format and, as requested, report back to the Governing Body. (Given the limited time, the Office was not able to elaborate on some of the points raised.)
- 128. The Employer spokesperson** called for careful examination of whether investment in a new forum would meet the stated goals, or whether resources could be used more efficiently to raise the profile of the ILO and the MNE Declaration through existing forums. Investment in a new forum may dissipate resources and fragment efforts. His group did not believe that an additional forum was a necessary or viable means to promote the MNE Declaration, and he requested that viewpoint be taken into consideration fully.
- 129. The Worker spokesperson** agreed that all investment by the ILO must bear fruit, and that a cautious approach must be taken. However, his group believed that investment in work on multinational enterprises would produce long-term results, and it supported the Office's efforts in that domain unequivocally.

## Decision

- 130. The Governing Body requested the Director-General to take into account the guidance provided when exploring options to further strengthen the visibility of the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy and its implementation by ILO Member States, regional and international organizations and enterprises, and to provide an update on these promotional activities at a future session of the Governing Body.**

(GB.341/POL/5, paragraph 44)