



International
Labour
Organization

National Industry Dialogue for responsible and sustainable electronics supply chains in Indonesia

Harnessing responsible business conduct for decent work in the electronics industry, guided by the ILO MNE Declaration

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Advancing social justice, promoting decent work

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The impact enterprises on the realization of decent work – who is responsible?



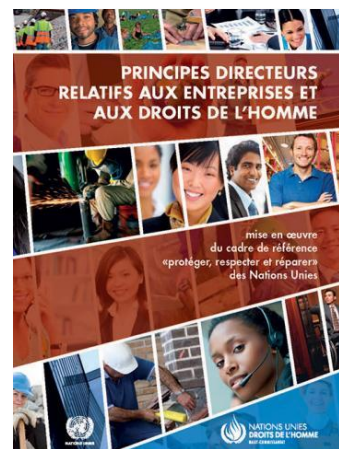
Responsible business conduct for decent work: current trends and developments



Responsible business conduct for decent work: current trends and developments

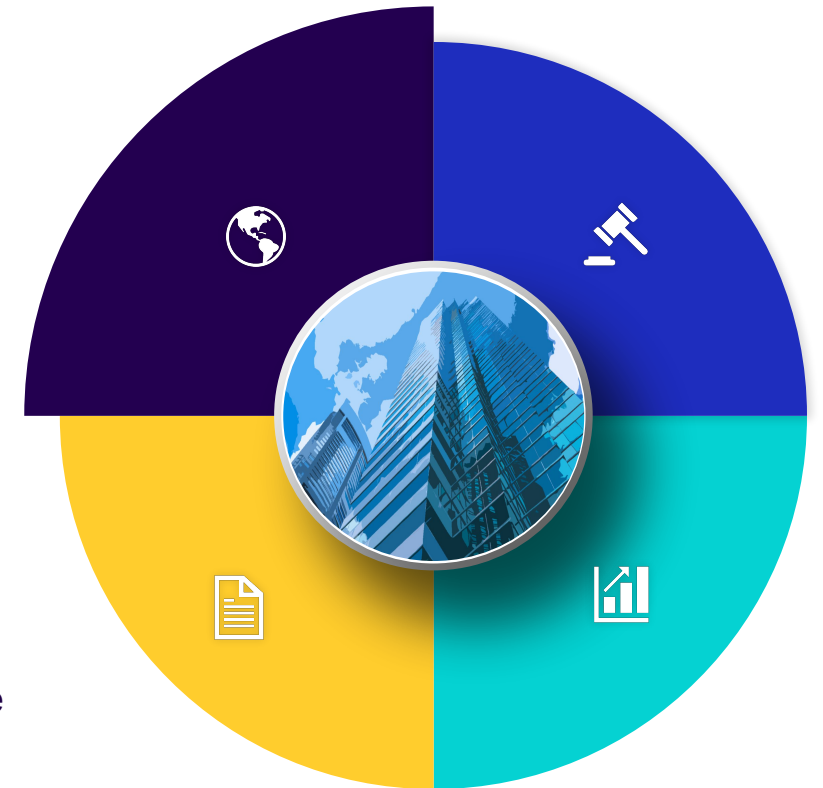
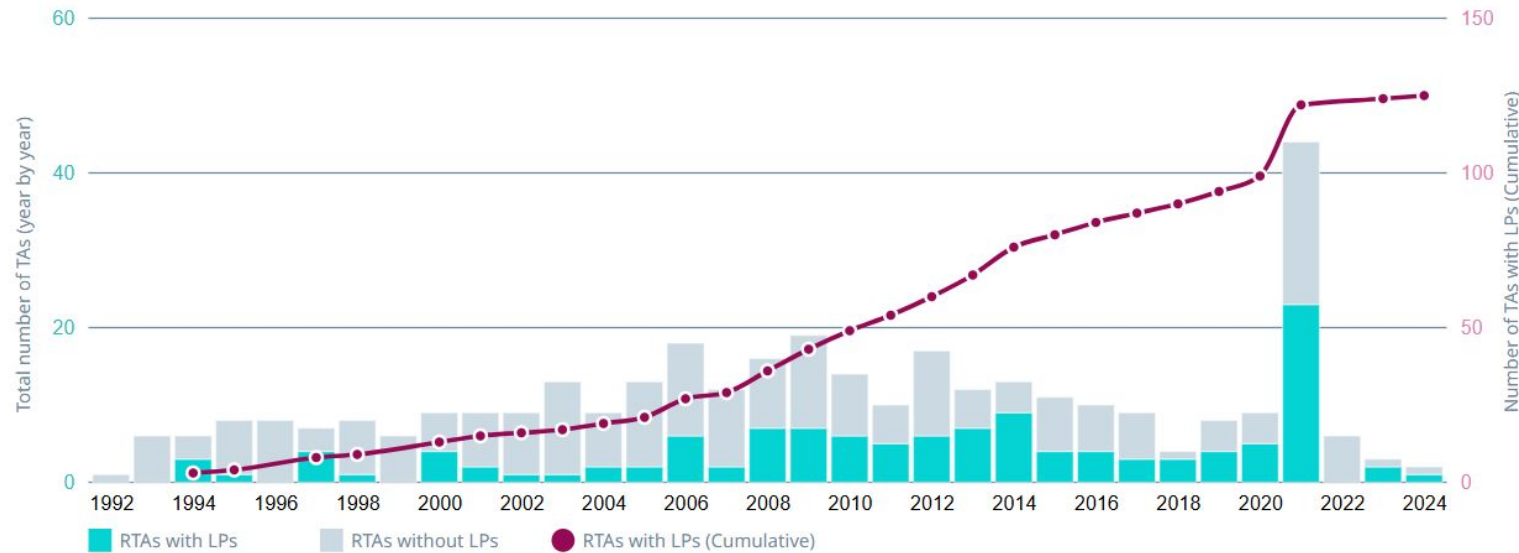


Increased momentum of international instruments on responsible business conduct and sustainable development



Change in discourses on trade and investment agreements

Labour provisions in trade agreements



Among the trade and investment agreements examined by the ILO, **11** agreements, available online, make direct reference to the ILO Declaration on MNEs.

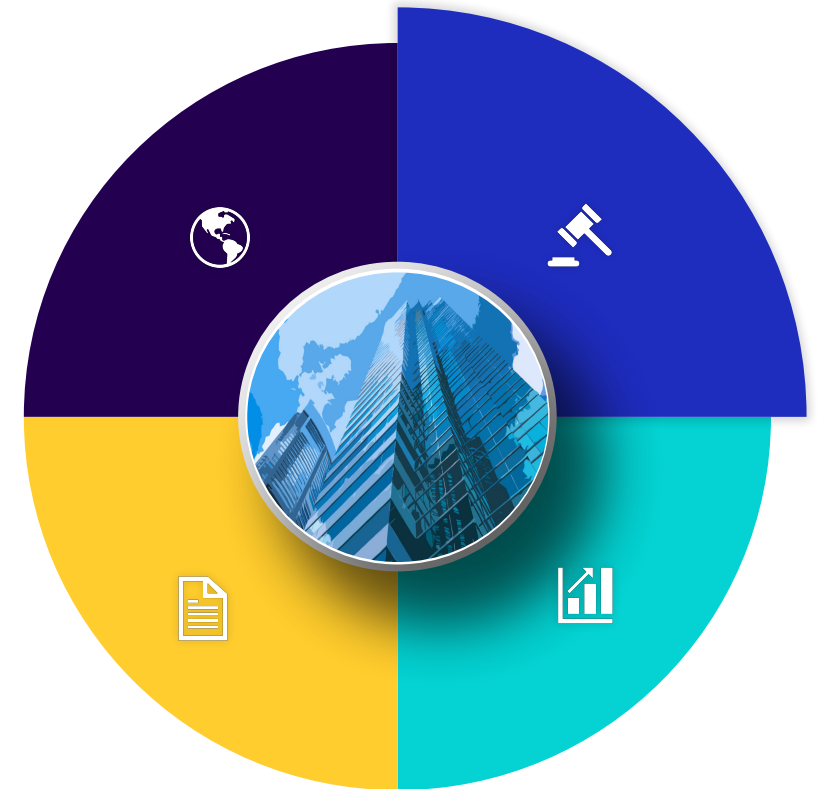
Source: [ILO Labour Provisions in Trade Agreements Hub](https://www.ilo.org/hub/stories/2024/01/15/en/IL02024001)

Advancing social justice, promoting decent work

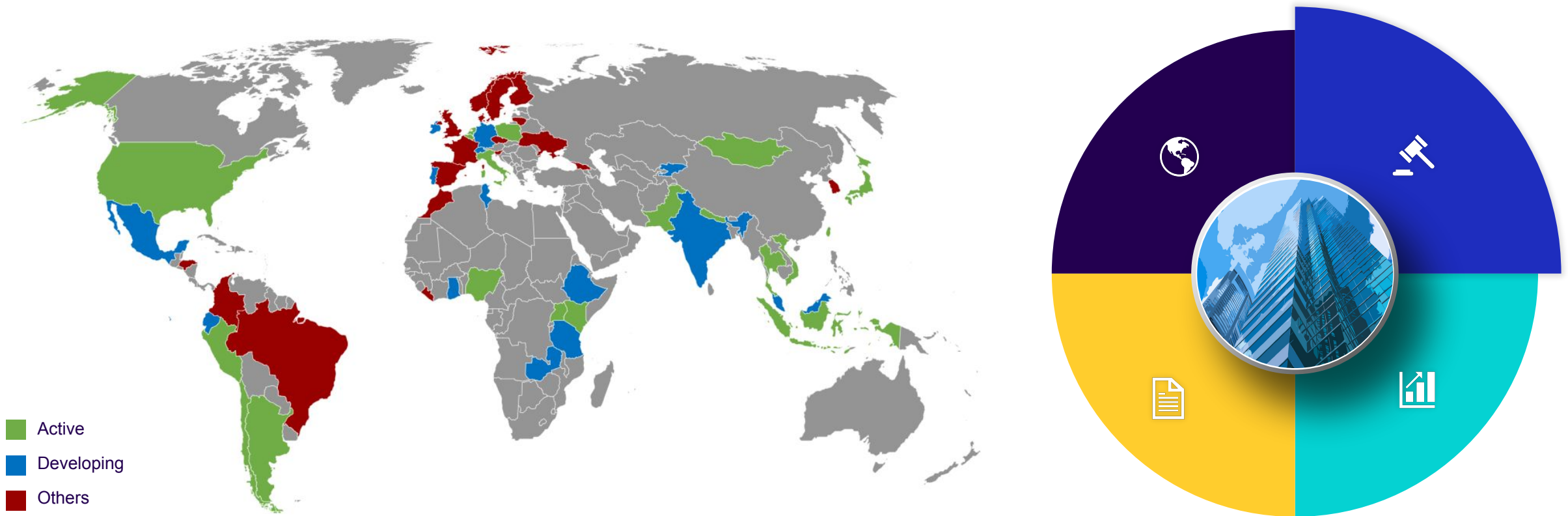
► ilo.org

Change in legal and regulatory environment : initiatives from home countries of multinational enterprises

Disclosure/reporting	Due diligence	Market access
California Transparency in Supply Chains Act (2010)	French Corporate Duty of Vigilance Law (2017)	US Import Ban on child and forced labour (Tariff Act 1930, s. 307)
U.K. Modern Slavery Act (2015)	Dutch Child Labour Due Diligence Act (2019)	EU Conflict Minerals Regulation (2021)
Australian Modern Slavery Act (2018)	German Corporate Due Diligence in Supply Chains Law (2021)	EU Regulation on Deforestation-free Products (EUDR) (2023)
Corporate Sustainability Reporting Directive (CSRD) (2022)	Norwegian Transparency Act (2022)	Bill S-211, An Act to combat forced labour and child labour in supply chains and to amend the Customs Tariff, Canada (2024)
	The Corporate Sustainability Due Diligence Directive (CSDDD) (2024)	Deal on EU ban on products made with forced labour (2024)



National action plans on business and human rights (NAPs)

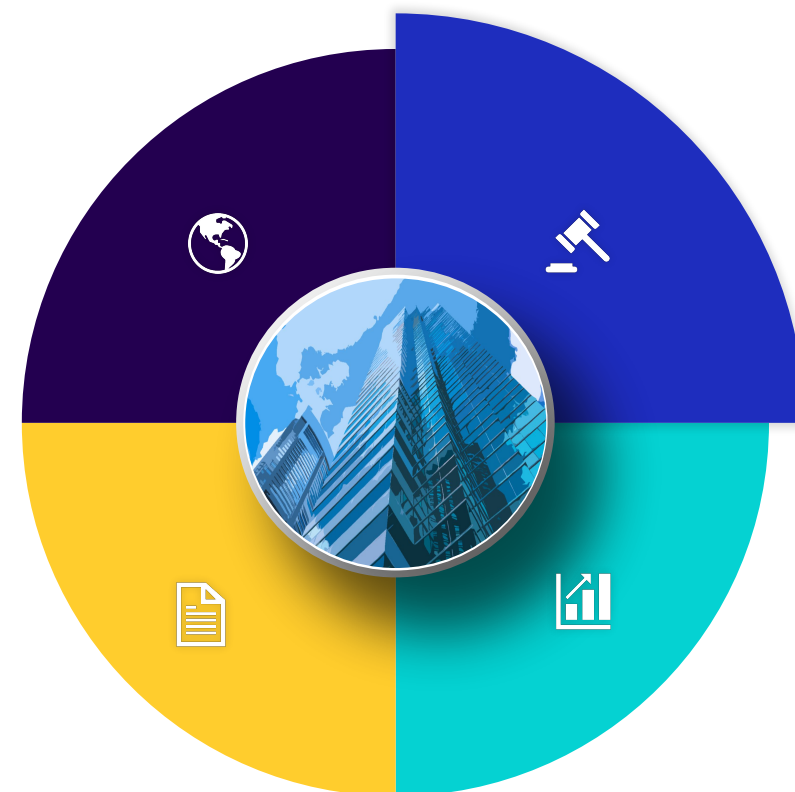


Source: <https://globalnaps.org/>

National action plans on business and human rights (NAPs)



Opportunities to strengthen the labour dimension of the Business and Human Rights Agenda and synergies with the Decent Work Agenda



Responsible business = good business

Access to finance (sustainable finance, impact investment ...)

Access to markets

Meeting customer and buyer expectations

Attracting and retaining staff

Improving productivity and competitiveness

...



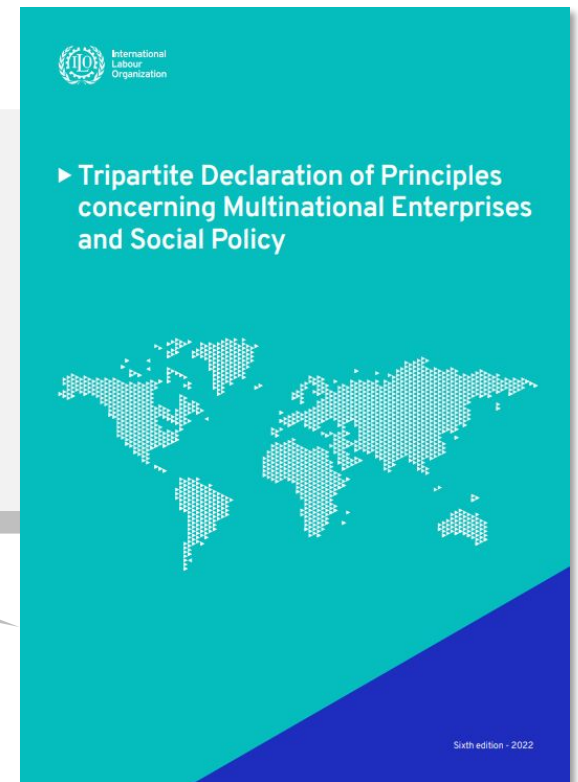
International instruments on responsible business conduct



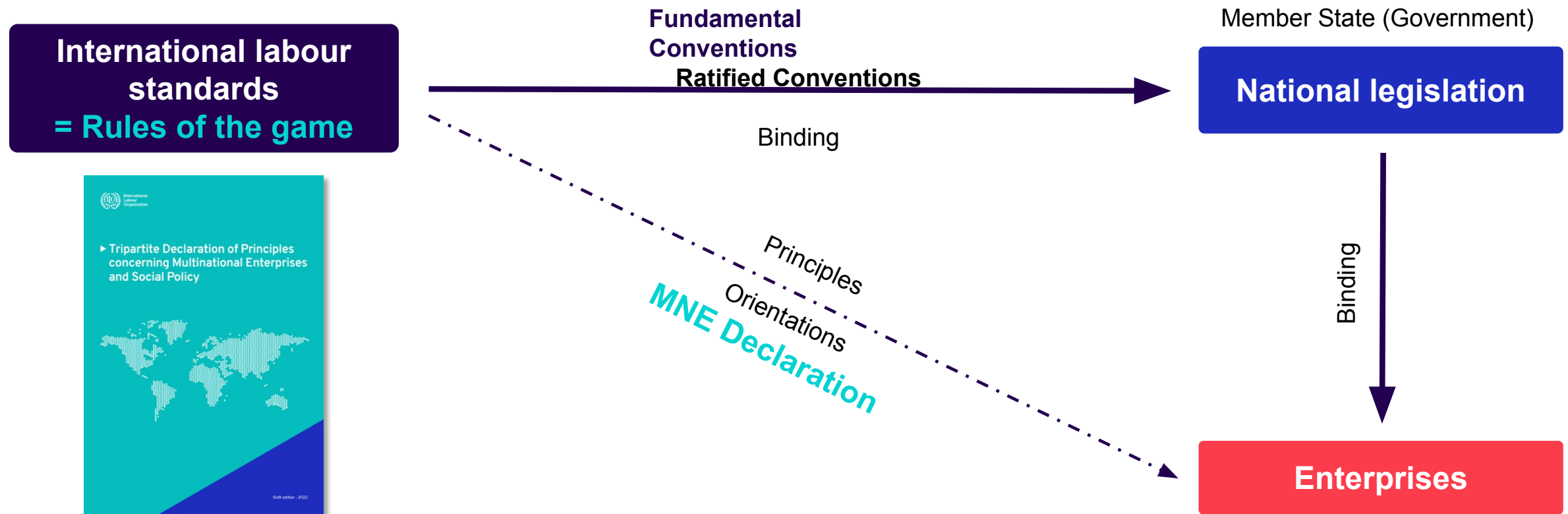
Advancing responsible business conduct: the ILO's approach to RBC

« **encourage the positive contribution which multinational enterprises can make to economic and social progress and the realization of decent work for all; and to minimize and resolve the difficulties to which their various operations may give rise.** »

MNE Declaration, paragraph 2



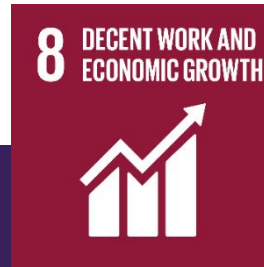
International labour standards - Relationship to enterprises



ILO MNE Declaration's relevance to the Sustainable Development Goals

“The principles of the MNE Declaration are **guidelines** for enhancing the positive social and labour effects of the operations of multinational enterprises to **achieve decent work for all, a universal goal recognized in the 2030 Agenda for sustainable development.**”

“As such, **they can also be used in developing partnerships to address many of the challenges which neither governments nor companies can address on their own, including multi-stakeholder partnerships and international co-operation initiatives.**”



The MNE Declaration - recommendations in 5 areas

General policies



- ▶ Respect for the rule of law
- ▶ Realization of the FPRW
- ▶ Conduct due diligence
- ▶ Alignment with national development priorities
- ▶ Home-host country dialogues

Employment



- ▶ Employment promotion
- ▶ Social Security
- ▶ Forced labour
- ▶ Child labour
- ▶ Equality
- ▶ Security of employment

Training



- ▶ Lifelong-learning
- ▶ Access to training opportunities

Conditions of work and life



- ▶ Wages, benefits and conditions of work
- ▶ Occupational safety and health

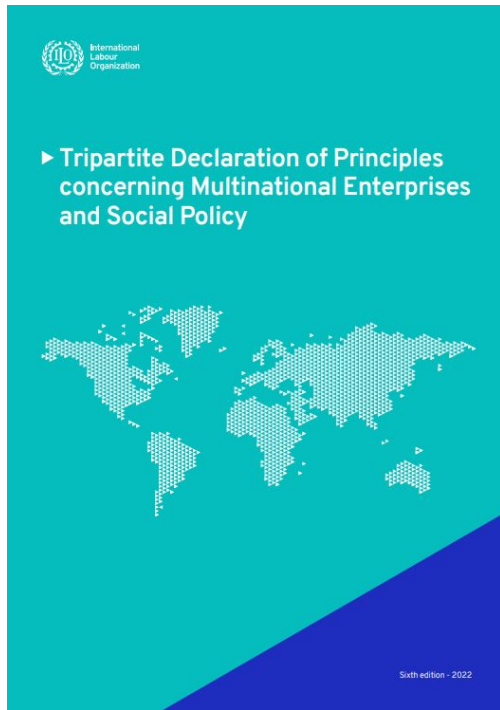
Industrial relations



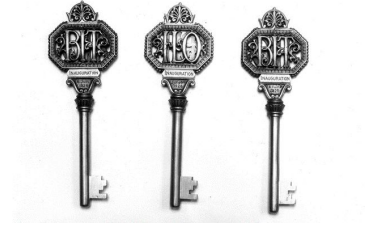
- ▶ Freedom of association
- ▶ Collective bargaining
- ▶ Consultation
- ▶ Access to remedy and examination of grievances
- ▶ Settlement of industrial disputes

MNE Declaration – its approach

Principles addressed to



- ▶ **Social dialogue:** Between government and social partners
- ▶ **Industrial relations:** Within the enterprises between management and workers
- ▶ **Tripartite-plus dialogue:** Between government, social partners and MNEs
- ▶ **Cross-border social dialogue:** Between home and host countries of MNEs



The MNE Declaration - its unique features



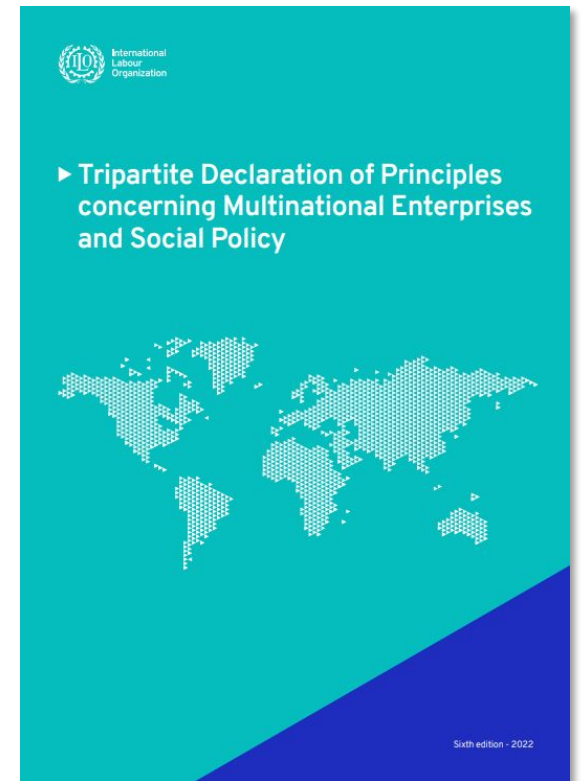
The MNE Declaration is the **only ILO instrument** that directly addresses companies (multinational and national) on the policies and practices they should adopt.



But it also **addresses governments and social partners**, recognizing their distinct and complementary roles and responsibilities.



It is the **only global instrument on responsible business conduct** that has been drawn up and adopted by governments, employers and workers from all over the world.



ILO strategy on decent work in supply chains

The ILO provides guidance and support to Member States and tripartite constituents by using all available ILO means of action to ensure decent work in supply chains, making better use of the ILO MNE Declaration. The means of action include:

- ▶ **National dialogues** to discuss actions to address decent work challenges and opportunities in supply chains.
- ▶ **Home-host country dialogues** to build on previous tripartite national dialogues and bring in relevant data and knowledge.
- ▶ **Company-union dialogue** to provide a neutral ground for discussion of issues of mutual concern.

Governing Body

347th Session, Geneva, 13–23 March 2023

Institutional Section

INS

Date: 27 February 2023
Original: English

Eighth item on the agenda

ILO strategy on decent work in supply chains

Purpose of the document

This document presents a comprehensive ILO strategy on decent work in supply chains, that is based on the building blocks adopted by the Tripartite Working Group on Options to Ensure Decent Work in Supply Chains (June–July 2022). The Governing Body is invited to provide guidance to the Office on implementing the five-year strategy, including the operational, financial and resource mobilization implications, and to take a decision on the date at which it will review its implementation (see the draft decision in paragraph 4).

Relevant strategic objective: All.**Main relevant outcome:** Outcome 7: Adequate and effective protection at work for all.**Policy implications:** Guiding Office action on decent work in supply chains.**Legal implications:** None.**Financial implications:** None.**Follow-up action required:** Depending on the Governing Body decision, implementation of the comprehensive ILO strategy on decent work in supply chains.**Author unit:** Priority action programme on decent work outcomes in supply chains.**Related documents:** GB.341/INS/13/2; GB.344/INS/18(Rev.1); GB.337/INS/4; GB.346/POL/5; GB.346/INS/INF/3; GB.346/INS/6(Rev.1); GB.347/PPA/1.

To minimize the environmental impact of ILO activities, Governing Body documents published before or after the sessions are not printed. Only documents issued in-session are printed in limited numbers and distributed to Governing Body members. All Governing Body documents are available at www.ilo.org/gb.

Business and human rights agenda: UN Guiding Principles on Business and Human Rights – Three pillars

UN Guiding Principles on Business and Human Rights (2011)

The State duty to protect against human rights abuses by businesses: policies, regulation, adjudication

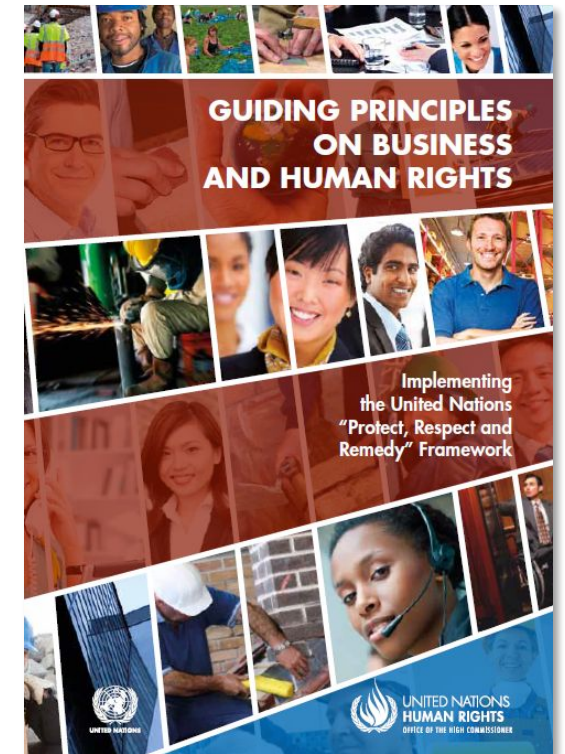
PROTECT

The corporate responsibility to respect human rights : act with due diligence to avoid infringements and address adverse impacts on human rights

RESPECT

Access to effective remedy for victims through judicial and non-judicial grievance mechanisms

REMEDY



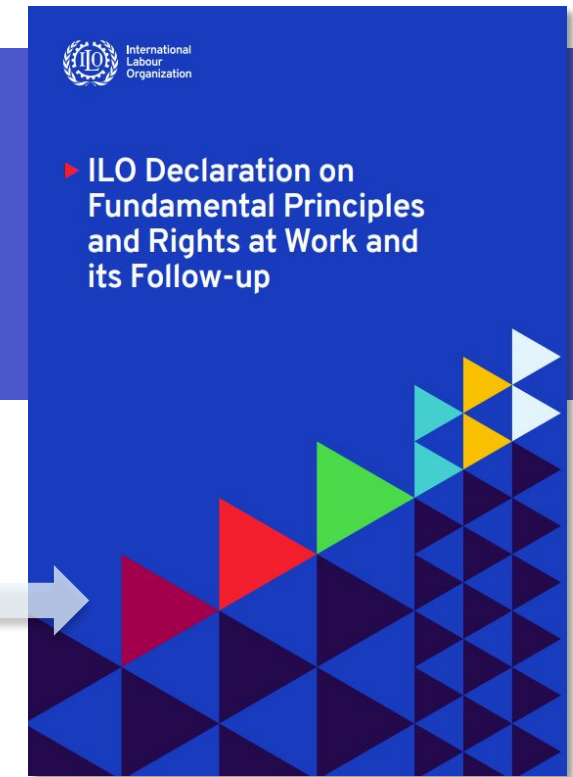
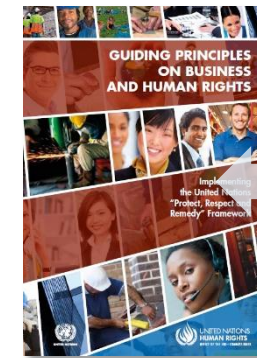
ILO instruments, the UN “Protect, Respect, Remedy” Framework and its Guiding Principles (UNGPs)

Labour rights are human rights

Where it concerns labour rights, the business and human rights agenda is founded on international labour standards and the ILO's constitutional mandate as the UN standard-setting organization in the world of work.

ILO Declaration on Fundamental Principles and Rights at Work

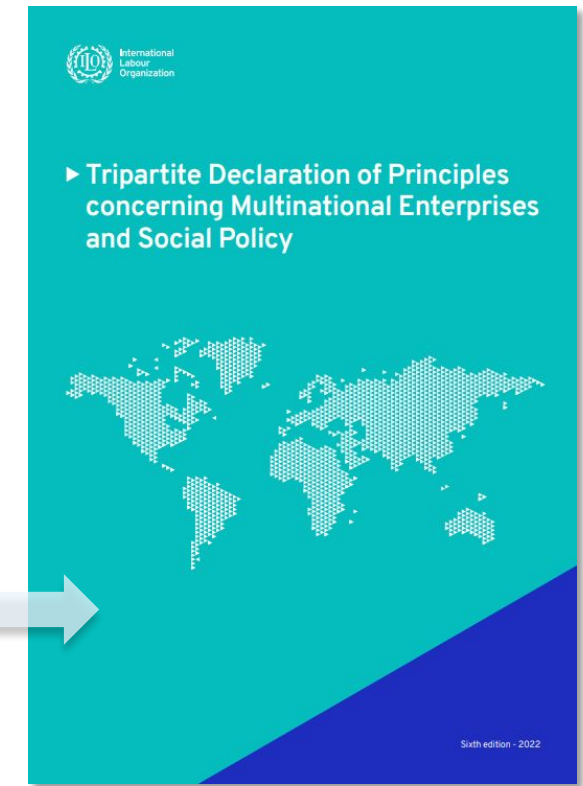
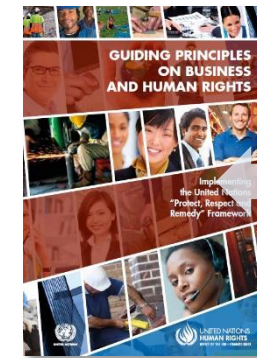
- ▶ The UNGPs call on businesses to respect internationally recognized human rights *“understood, at a minimum, those contained in the International Bill of Human Rights and the principles concerning fundamental rights set out in the **ILO Declaration on Fundamental Principles and Rights at Work**”* (paragraph 12)



ILO instruments, the UN “Protect, Respect, Remedy” Framework and its Guiding Principles (UNGPs)

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

- ▶ The MNE Declaration is mentioned in the 2008 UN “Protect, Respect and Remedy” Framework as a prominent example of a unique instrument that enshrines the corporate responsibility to respect human rights. The MNE Declaration itself also makes reference to the UNGPs.

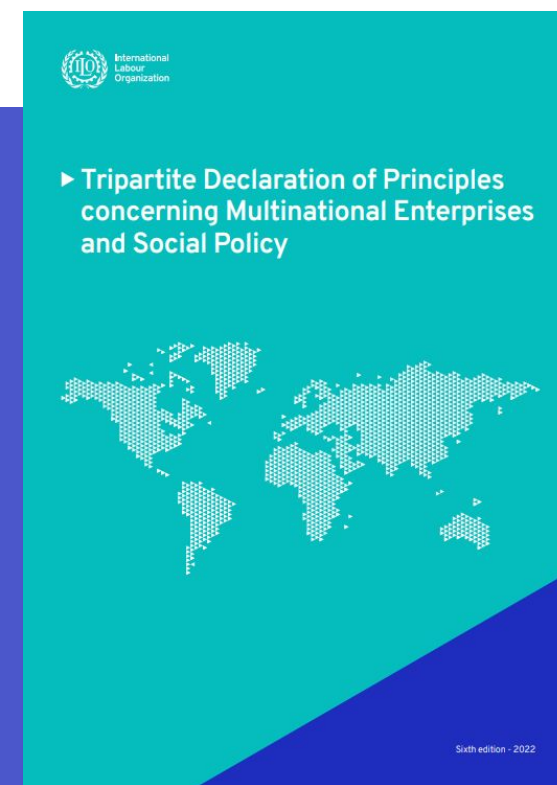


Reference to due diligence in the MNE Declaration

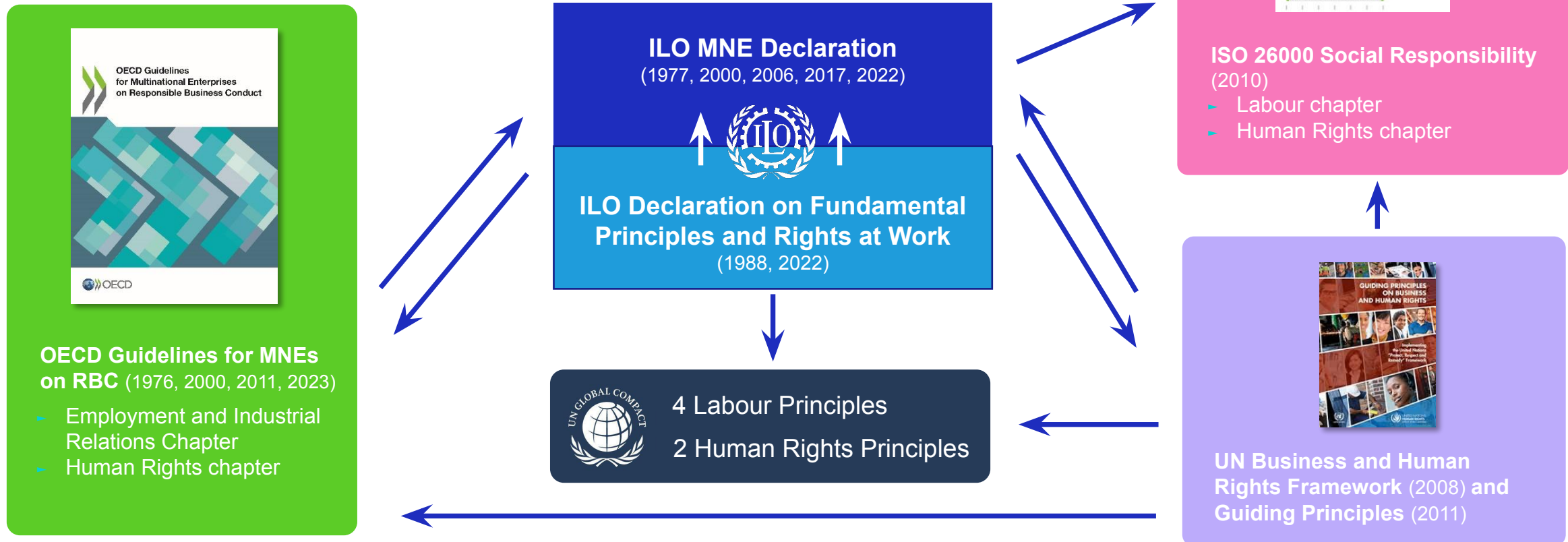
*“In order to gauge human rights risks, enterprises – including multinational enterprises – should identify and assess any actual or potential adverse human rights impacts with which they may be involved either through their own activities or as a result of their business relationships. This process should involve **meaningful consultation with potentially affected groups and other relevant stakeholders including workers’ organizations**, as appropriate to the size of the enterprise and the nature and context of the operation.*

*For the purpose of achieving the aim of the MNE Declaration, this process **should take account of the central role of freedom of association and collective bargaining as well as industrial relations and social dialogue as an ongoing process.**”*

MNE Declaration, Paragraph 10 e)



International policy coherence/Synergies with other RBC frameworks and initiatives





Which principles of the MNE Declaration are the most relevant to address decent work challenges and seize opportunities to promote decent work in the electronics sector?

Look at recommendations addressed to the government and recommendations addressed to enterprises.