

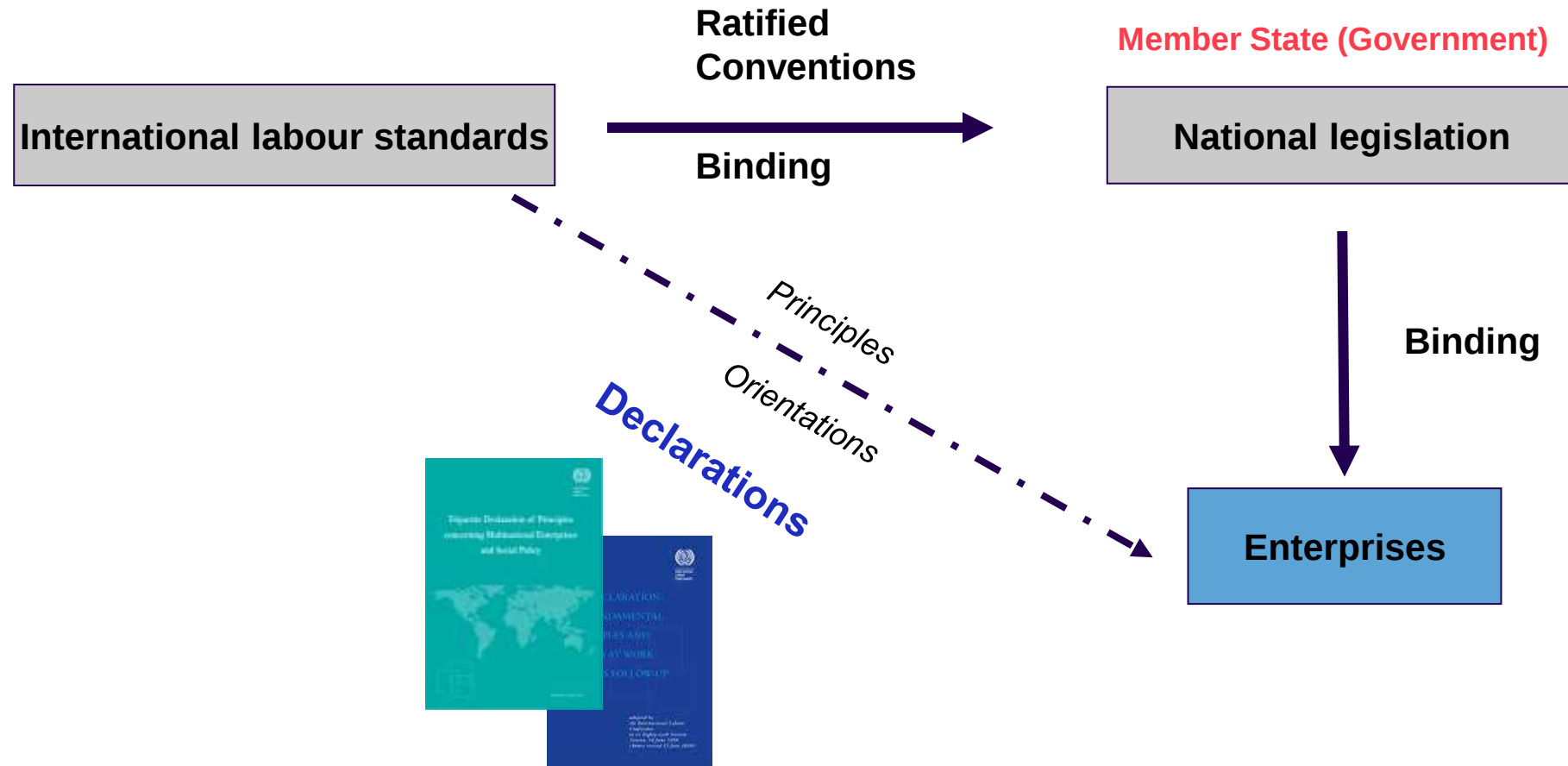
► The ILO Tripartite Declaration of Principles concerning Multinational Enterprises

Aim, approach and principles

► What is the issue?

- In today's globalized world, how to ensure that operations of multinational enterprises (foreign direct investment, trade, supply chains) contribute to inclusive economic growth
- What are the means of the international community (ILO, UN, ...) to achieve this?
 - Treaty
 - Declaration
 - International collaboration
- What are the roles and responsibilities of governments, social partners and enterprises themselves?

Means of the ILO -- International Labour Standards and Declarations





Tripartite: Adopted in 1977 by ILO Governing Body, by representatives of governments, employers and workers – ILO Governing Body MNE segment reviews on a regular basis the promotion and implementation of the Declaration and has updated the instrument at regular intervals

Declaration: political/moral statement reflection a global tripartite consensus, no ratification or adhering process

Principles: guidance “founded substantially contained on principles contained in international labour Conventions and Recommendations” [introduction, Annex I]

Multinational (and national) enterprises: all types and ownership -- reflect good practices for all [paragraph 5]

Social policy : covering the whole Decent Work Agenda and contributing to SDGs

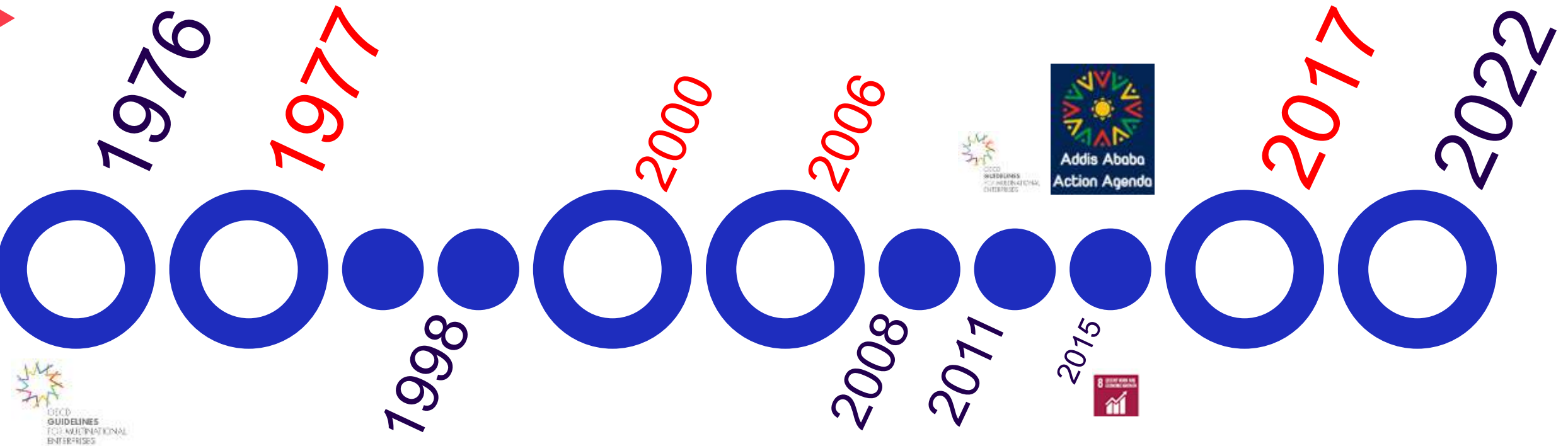
The MNE Declaration - Its aim

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The aim of this Declaration is to 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.

A living document and a changing context



March 2017:

ILO revises its landmark Declaration on multinational enterprises

ILO Governing Body adopted proposed revised text by consensus and full support of all regional groups, employers and workers.



The MNE Declaration

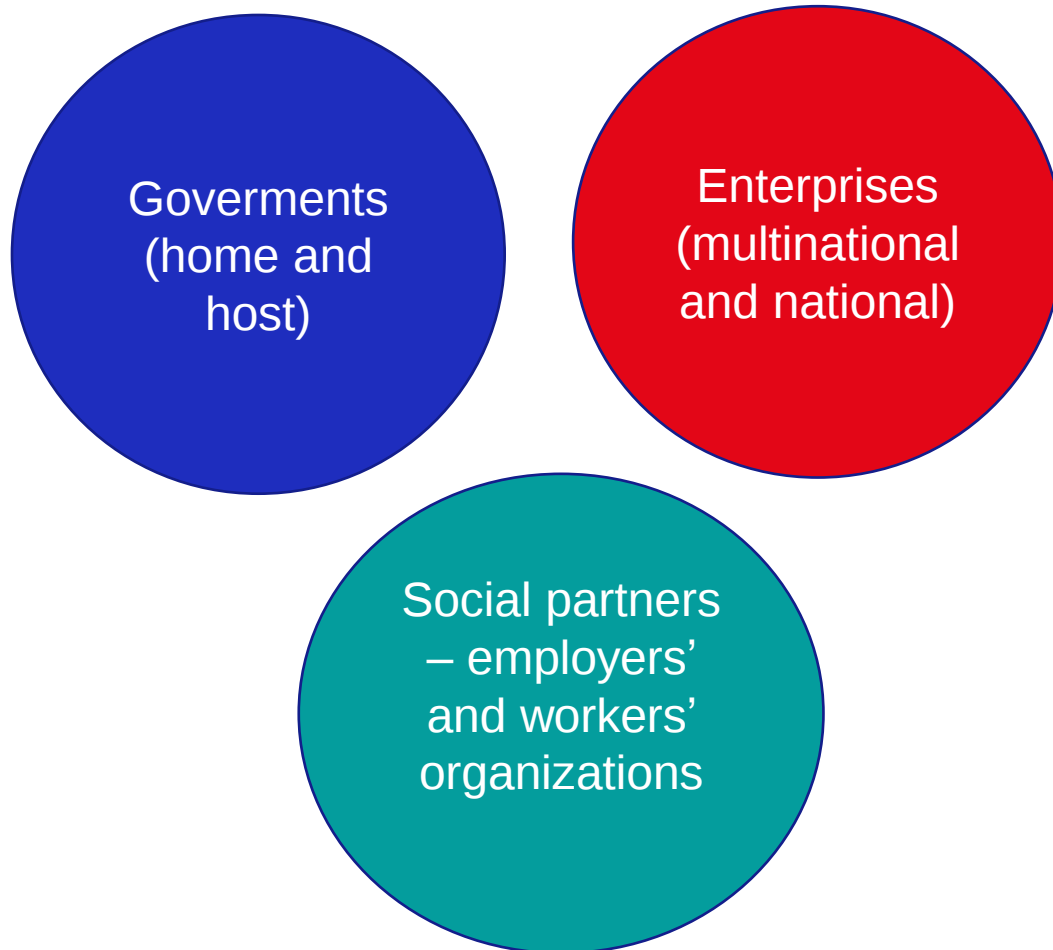
It is the only **global** tripartite instrument on business contribution to decent work

...and the only ILO instrument that **directly addresses enterprises**, as well as governments, employers and workers' organizations on social policy and inclusive, responsible and sustainable business practices.



The MNE Declaration – its approach

Recommendations addressed to:



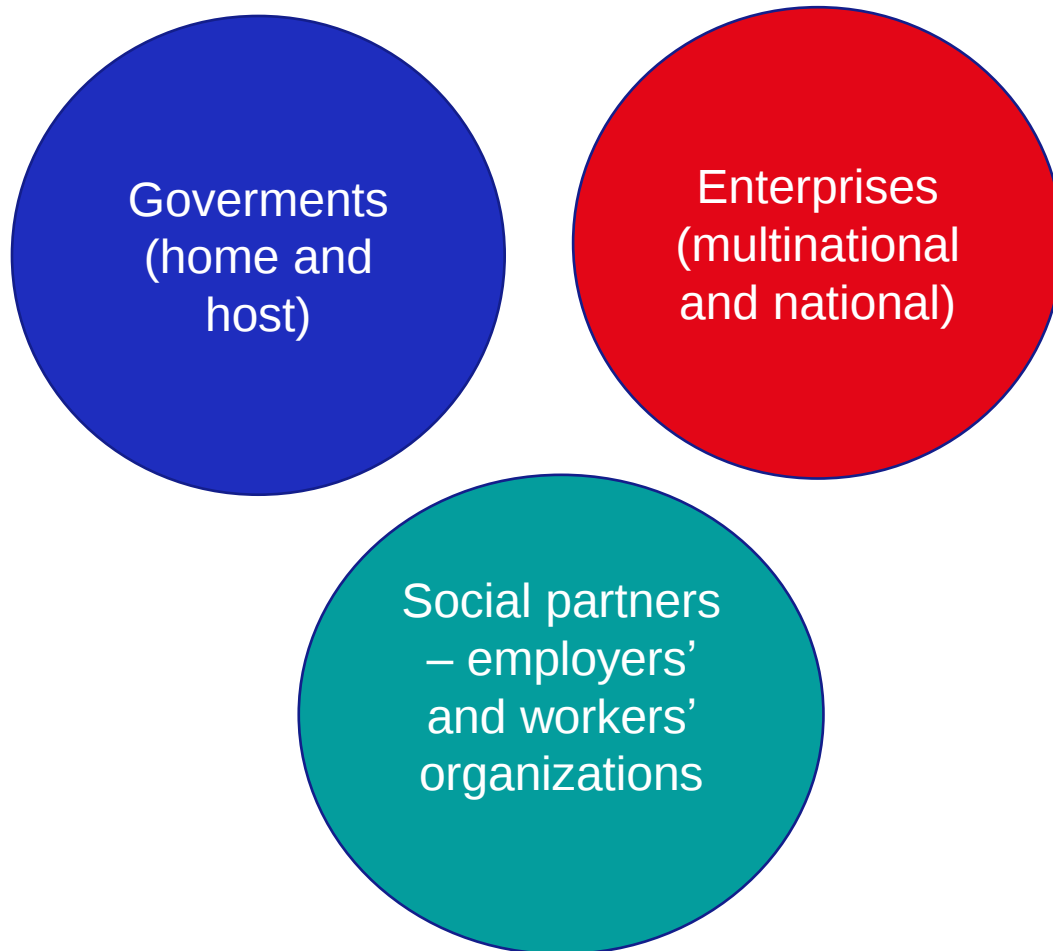
Establishes different roles and responsibilities between different actors

Emphasizes role for home and host country governments of MNEs in promoting good social practices among enterprises [paragraph 4].

Aim of the Declaration to be furthered by strengthening legal and policy frameworks and international collaboration

The MNE Declaration – its approach

Recommendations addressed to:



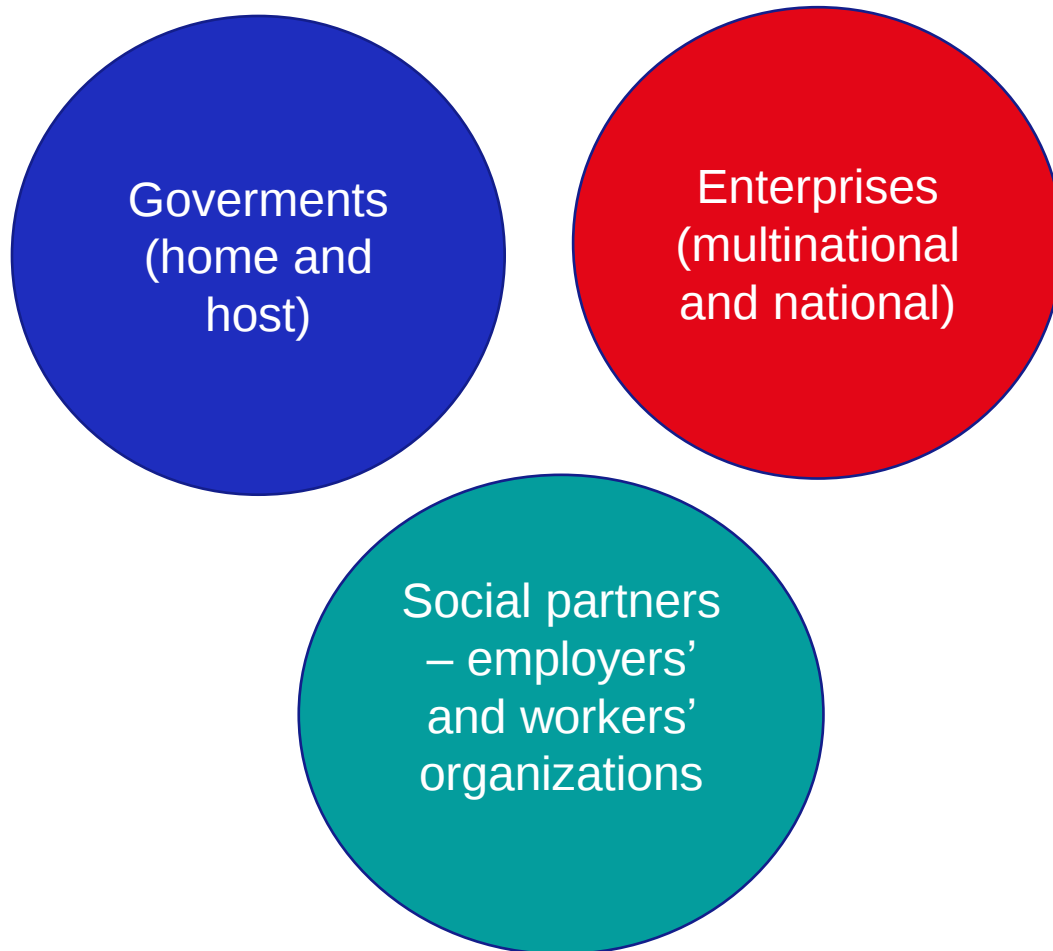
Dialogue – consultations at all levels

- ✓ Between government and social partners (social dialogue)
- ✓ Within the enterprises between management and workers (industrial relations)
- ✓ Between government, social partners and multinational enterprises (tripartite plus dialogue)
- ✓ Between home and host countries of multinational enterprises (cross-border social dialogue)

The MNE Declaration – its approach

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Recommendations addressed to:



The whole Decent Work Agenda

- ✓ General policies
- ✓ Employment
- ✓ Training
- ✓ Conditions of work and life
- ✓ Industrial relations



General policies

Paragraph 8-12

- Respect national law and state sovereignty
- Contribute to the realization of the fundamental principles and rights at work
- Alignment with national development priorities
- Conduct due diligence
- Consultations between home and host country governments



Employment

Paragraph 13-36

- Employment promotion
- Social Security
- Elimination of Forced labour
- Abolition of Child labour
- Equality of opportunity and treatment
- Security of employment



Training

Paragraph 37-40

- National policies for vocational training and guidance, closely linked to employment
- Provide training and lifelong learning opportunities
- Participate in programmes aimed at skills development



Conditions of work and life

Paragraph 41-46

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

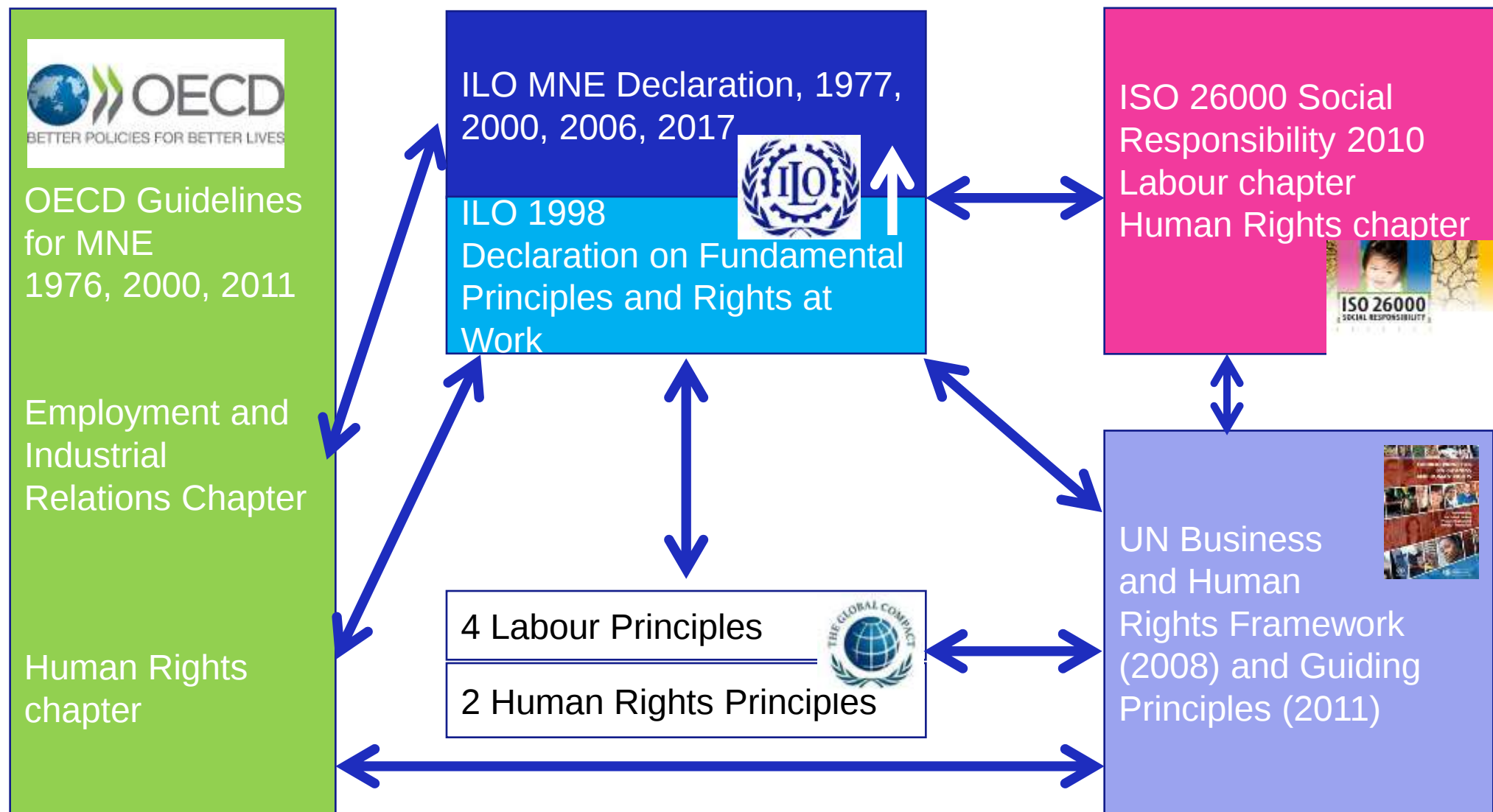


Industrial relations

Paragraph 47-68

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

International policy coherence on RBC



▶ The MNE Declaration – what it is NOT

A code of
conduct
adopted by
industry

A purely
voluntary
instrument

A legally-
binding treaty

Only addressed
to enterprises

► The MNE Declaration - implementation

- Set of operational tools to stimulate uptake of its principles by all parties
- Included in trade and investment agreements
- Included in due diligence legislation, ESG reporting standards, ...
- Included in international framework agreements between MNE and global union
- Included in international policy commitments in relation to supply chains (G7, G20, regional organizations...)
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