



10

The ILO's support on labour commitments in trade agreements

by Karen Curtis and Elizabeth Echeverría Manrique*

Summary

- References to international labour standards in trade agreements have increased, with the role of the ILO being highlighted within several recent agreements. These provisions are in line with the mandate of the ILO to support decent work, for example by providing assistance to Member States in the negotiation process and in the implementation of their trade-related labour commitments.
- Almost all the countries that have benefited from the ILO's Trade for Decent Work (T4DW) project have undertaken legal reforms (for example, Mongolia and Viet Nam) and/or launched programmes to foster compliance with the international labour standards ratified (for example, Bangladesh). Thus, the ILO's engagement with Member States, through technical assistance and cooperation projects, has contributed to the improvement of labour standards, including the adoption and implementation of labour law reforms aligned with international labour standards.
- The ILO has also engaged in innovative practices to boost the impact of international labour standards at the factory and sectoral level by acting as an impartial observer in processes of collective bargaining legitimization and representativeness. For instance, the ILO has engaged with its tripartite constituents (government, employers' and workers' representatives) by responding to the Government of Mexico's request for ILO observer missions in trade union voting in the country. Support given by the ILO to its social partners has improved their capacity to participate in workplace democratic processes as well as fostering trade union democracy.

Background and introduction

The ILO has played an important role in supporting the ratification of international labour standards and providing practical guidance, in the form of development cooperation and technical assistance programmes, to assist Member States in their implementation. This chapter explores the ILO's mandate on trade and labour standards, including its various means of action in this regard. Further, the chapter discusses the T4DW project, implemented by the ILO, which has provided assistance in the ratification of international labour standards and labour reforms in six Asian countries and five African countries, as well as supporting ad hoc activities in two Latin American countries (see the table below for an overview of T4DW). It also considers the ILO's experience in supporting Member States by promoting workplace democratic processes – in this case, Mexico – in its implementation of labour commitments under the United States–Mexico–Canada Agreement (USMCA).

Research question and methodology

This chapter aims to explore how the ILO has supported its constituents with regard to the implementation of labour-related commitments contained in trade agreements and unilateral trade arrangements. This is done by addressing

two specific research questions. First, the chapter explores how the ILO's T4DW project has contributed to aligning domestic labour laws and relevant practices in the Member States concerned with international labour standards. This includes strengthening domestic institutional frameworks and social dialogue to facilitate compliance with relevant labour laws. Second, the chapter analyses how the ILO has contributed to the resolution of disputes under the Facility-Specific Rapid Response Labor Mechanism contained in the USMCA by engaging in the observation of workplace democratic processes.

The research method employed in this chapter uses case studies to illustrate the work of the ILO, looking at the T4DW project and the ILO observer missions in Mexico.

Findings

Trade for Decent Work project

In Bangladesh, Myanmar and Viet Nam, the T4DW project was successful in promoting the ratification and application of international labour standards, in line with the relevant trade arrangements of these countries (see figure below). The ILO provided technical cooperation and supported the capacity-building of governments, trade unions and

employers' organizations, ensuring stronger tripartite engagement. Similar support in strengthening compliance with international labour standards and commitments to decent work and social dialogue was also provided to Pakistan, the Philippines and Mongolia and, in the Africa region, to Cabo Verde, Côte d'Ivoire, Ghana, Madagascar and Mozambique.

The ILO as an observer in Mexico

Upon request by a Member State, the ILO has supported the observation of workplace democratic processes stemming from petitions brought within the framework of the USMCA in relation to legitimization processes of the collective bargaining agreement at the General Motors factory in Silao, Mexico, and the election of the most representative trade union at the Manufacturas VU plant in Piedras Negras, Mexico.

The legitimization processes of the collective agreements in Mexico were established through amendments to the Federal Labour Act. These amendments mandated that all existing collective agreements must be approved by a majority of workers through a personal, free, direct and secret vote. This requirement aimed to ensure the representativeness of unions that had negotiated collective bargaining agreements with an employer. The Federal Centre for Labour Conciliation and Registration (CFCRL) is the institution established to oversee legitimization of collective agreements.

The ILO supported and observed the democratic voting processes in the cases of General Motors and the Manufacturas VU, in accordance with its mandate, the legitimization protocols of the Ministry of Labour and Social Security and the CFCRL and the workplace democratic processes guidelines. The ILO found no irregularities in the voting process in either facility. Workers were able to exercise their right to vote and make their choices in a democratic manner, with majority rule.

Policy considerations

The ILO has provided assistance to Member States through development cooperation and technical assistance programmes. These initiatives have facilitated the ratification and implementation of international labour standards, including through the development of legal and institutional reforms to support respect for labour rights, social dialogue and dispute resolution. This has strengthened compliance of Member States with decent-work-related commitments under their trade arrangements.

In providing support to workplace democratic voting processes, the ILO's role is complementary to that of national authorities and does not serve as a substitute for federal and state-level inspectors. The ILO's presence, alongside the work of national authorities, supports the development of workplace democracy. Indeed, Member States' requests to the ILO for observation demonstrate the trust and confidence that have been accorded to the Organization as neutral, impartial and independent.

The policy considerations arising from this chapter include the significance of tailoring efforts to particular contexts, as seen in the ILO's flexible and innovative action in the featured case studies. Achieving decent work and the fulfilment of labour commitments calls for needs to be addressed at both national and workplace level. The ILO's tripartite constituents can further identify areas requiring the Organization's technical support to strengthen capacity, irrespective of the type of trade arrangement in place, supplemented by its ability to provide independent support for these rights in the workplace.

—
* Authors:

Karen Curtis, International Labour Standards Department, ILO.
Elizabeth Echeverría Manrique, Governance and Tripartism Department, ILO.

► Overview of the T4DW project

Bangladesh

Promoting effective implementation of the commitments and initiatives outlined in the Bangladesh Sustainability Compact

Myanmar

Promoting labour rights and compliance with international labour standards through building the capacities of employers' and workers' organizations

Viet Nam

Promoting the ratification and application of ILO Fundamental Conventions under the framework of the EU–Viet Nam Free Trade Agreement

Pakistan, Philippines

Enhancing domestic capacities to fulfil reporting requirements and compliance with ILO Core Conventions as identified under the EU's Generalized System of Preferences

Mongolia

Enhancing Mongolia's capacities to fulfil reporting requirements and compliance with ILO Core Conventions as identified under the EU's Generalized System of Preferences

Africa region

Promoting national capacities to improve international labour standards compliance and reporting obligations to ILO supervisory bodies

Source: [Trade for Decent Work Project \(ilo.org\)](https://www.ilo.org/trade-for-decent-work-project)



Scan the QR code
or click here to access
the full publication

International Labour Organization
Route des Morillons 4
CH-1211 Geneva 22
Switzerland

E: echeverriamanrique@ilo.org

© ILO 2023