



UN reform and workers' organizations

“We the peoples of the United Nations determined...to reaffirm faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women and of nations large and small, and to establish conditions under which justice and respect for the obligations arising from treaties and other sources of international law can be maintained, and to promote social progress and better standards of life in larger freedom, and for these ends ...to employ international machinery for the promotion of the economic and social advancement of all peoples, have resolved to combine our efforts to accomplish these aims.”



**ILO Bureau for Workers' Activities (ACTRAV),
Geneva 2008**



On the cover:

“Give me a fair chance at a decent job” – that is what women and men are demanding.

Every policy-maker seeking to combat poverty should answer the people’s test:

How will your policy advice improve the quantity and quality of jobs?

This is one of the best steps we can take to eradicate poverty once and for all.

-- ILO Director-General, 17th October 2004

Why this booklet

This booklet is produced by the International Labour Organization (ILO) Bureau for Workers’ Activities (ACTRAV) to help trade unionists better understand plans for United Nations (UN) reform and what it means for workers’ organizations around the world.

Steps to UN reform

In his report to the 2005 United Nations World Summit, then Secretary-General Kofi Annan tabled a series of broad proposals called *In Larger Freedom*. The proposals were for major changes to the UN system to make it more relevant to the 21st Century and to the achievement of the Millennium Development Goals (MDGs).

The United Nations must be reshaped in ways not previously imagined, and with a boldness and speed not previously shown. – UN Secretary-General, *In Larger Freedom*, 2005

In line with the Secretary-General's proposals, at the 2005 Summit world leaders requested reports on how to make the UN family more effective and efficient. The first of these reports was delivered in March 2006 and is called *Investing in the UN: For a Stronger Organization Worldwide*. It outlines management reform of the UN Secretariat for the next three to five years.

The United Nations Millennium Development Goals
The Millennium Development Goals are for the period 2000-2015 and apply globally, regionally and nationally.
Goal 1: Eradicate extreme poverty and hunger
Goal 2: Achieve universal primary education
Goal 3: Promote gender equality and empower women
Goal 4: Reduce child mortality
Goal 5: Improve maternal health
Goal 6: Combat HIV/AIDS, malaria and other diseases
Goal 7: Ensure environmental sustainability
Goal 8: Develop a Global Partnership for Development

In the second half of 2006, three further reports were made which elaborate on this vision. All three contain far-reaching recommendations on management and structures which could redefine the way the UN works. The reports are the *Comprehensive Review of Governance and Oversight*, the report of the *UN Redesign Panel on the UN Internal Justice System* and the review by the *High-Level Panel on System Wide Coherence*.

The *Comprehensive Review of Governance and Oversight* was produced by eminent experts in public administration. They conducted an independent evaluation of governance and oversight within the United Nations funds, programs and specialized agencies. The review of the *UN Internal Justice System* recommended a completely new system of administration of internal justice designed to be "professional, independent and decentralized".

The recommendations of the *High-level Panel on System-Wide Coherence* were presented in November 2006. The panel was co-

chaired by the Prime Ministers of Mozambique, Norway and Pakistan. The report aims to help developing countries reach the Millennium Development Goals by streamlining the diverse UN family of agencies. It says that the UN must be radically revamped to “deliver as one”. This should apply especially at the country level, where the UN could have a much greater impact if it were less fragmented, according to the report.

UN reform and the ILO

The ILO Governing Body¹ meeting of March 2007 endorsed the ILO’s participation in the UN reform process, but with some cautions. At the conclusions of the discussion the Director General of the Organization emphasized that the ILO will benefit from the reform process due to greater visibility of its Decent Work Agenda within the UN system and the inclusion of Decent Work in the Millennium Development Goals (MDGs).

Decent Work Agenda

Decent work means opportunities for women and men to obtain productive work in conditions of freedom, equity, security and human dignity.

The ILO's decent work agenda calls for a development strategy that acknowledges the central role of work in people's lives.

Workers’ Group concerns

The workers’ group of the ILO governing body has several significant concerns about the One UN proposals. They center on risks that the representation of ILO constituents and ILO expertise in social and economic development maybe diluted.

Align with Decent Work

¹ The Governing Body is the executive body of the International Labour Office - the secretariat of the ILO. It meets three times a year, and has 56 titular members (28 governments, 14 employer and 14 worker), plus 66 deputy members.

While the concept of *decent work* is widely recognized, commitment is still needed to align national policies and the policies of international institutions more coherently with the decent work agenda. In particular, the importance of tripartism for the governance of globalization is not yet fully understood beyond the ILO.

Growth is not enough.

Globalization is far from securing an equitable distribution of the benefits of economic growth. Even the board of directors of the World Bank has recently affirmed that while economic growth is a crucial element for poverty reduction, growth in many developing countries has not always been associated with better labour market conditions.

Quality jobs

Employment creation has been slow. Workers are often trapped in low productivity and low-paid jobs. As a result, the international community increasingly recognizes the importance of creating quality employment to ensure that growth is shared fairly and widely. ILO expertise and the involvement of the social partners is needed more than ever.

Relevance to development

The key message from the ILO Workers' Group is that the ILO should reaffirm its relevance to social and economic development in this globalized world. This especially applies to the ILO's

- 1. unique role in standard setting,**
- 2. supervisory system for international labour standards, and**
- 3. unique tripartite structure**

Workers' rights

Governments committed to fairly distributing the benefits of globalization through more and better jobs should commit to coordinating macroeconomic and social policies with systems of collective bargaining based on freedom of association. The effective

rights of workers to organize, join trade unions and bargain collectively are important in both industrialized and developing countries.

Social dialogue

Where unions exist and are allowed to bargain, there is higher pay, more secure work, more training, more efficient economies, more just societies and less corruption. Today, the concepts of negotiation and compromise are undervalued. But dialogue produces better results than command-and-obey unilateralism. The ILO's tripartite constituents should not be defensive about the process or outcomes of dialogue.

Tripartism

At the ILO governing body meeting, the workers group made it clear that the tripartite nature of the ILO, its normative work in international labour standards² and its supervisory mechanism³ must not be affected by UN reform. The participation of workers' and employers' organizations in the management and activities of the ILO is added value to the UN family. However, there are fears that *One UN* could undermine the ILO tripartite structure. This is because the ILO is the only UN agency with a tripartite structure. Within the wider UN, unions (and employers' organizations) often have the status of mere pressure groups.

Social pillar

Within the new UN system, the ILO should continue its work to promote social justice and act as the social pillar of the system. The ILO needs to reaffirm its status as the institution that provides clear and informative analysis of the world of work in all its aspects. The ILO should promote its ability to address decent work deficits through standards, policy coherence, policy design and technical cooperation. Cross-cutting analysis and research on gender equality and sustainable development are also important parts of what the ILO is good at.

² international labour standards: ILO Conventions and Recommendations that form the body of international labour law.

³ Supervisory mechanism: the ILO's system of reporting and review of the implementation of international labour standards.

Independent partners

Freedom of association and collective bargaining enable the establishment of strong and independent social partners. Collaboration with these partners can lead to both social and economic improvements, as advocated by the Declaration of Philadelphia⁴.

The Declaration of Philadelphia

This declaration was made in 1944 and is part of the ILO constitution. It embodies four principles:

1. Labour is not a commodity,
2. Freedom of expression and of association are essential to sustained progress,
3. Poverty anywhere constitutes a danger to prosperity everywhere, and
4. All human beings have the right to pursue their material well-being and their spiritual development in conditions of freedom, dignity, economic security and equal opportunity.

Core labour standards

Trade unions welcomed and still endorse the recommendation from the World Commission on the Social Dimension of Globalization⁵ that *“all relevant international organizations should assume their responsibility to promote [core labour standards] and ensure that their policies and programs do not impede their realization.”*

Institutions involved

The UN reform process includes all UN agencies and the specialized agencies, but it does not include the international financial institutions (IFIs) – the World Bank (WB) and the International Monetary Fund (IMF). This is despite the fact that recent developments indicate there may be a greater need for such reform of these agencies.

⁴ see next page

⁵ ILO Commission, chaired by Presidents of Finland and Tanzania that reported 2004.

However, the *High-level Panel on System-Wide Coherence* recommended yearly meetings amongst the IMF, WB, United Nations Development Program (UNDP), World Health Organization (WHO), Food and Agricultural Organization (FAO), United Nations Educational, Scientific and Cultural Organization (UNESCO) and the ILO to discuss practical implications of the UN reform. At the international level, the UN system chief executives board is responsible for coordinating the reform of the business management of the UN system.

Four ones

The key features of the reform at country level involve a much closer cooperation among UN agencies and the establishment of what is called “four ones”: one leader, one program, one budgetary framework and one office.

The High-level Panel suggested the reform process should first take place in eight pilot countries. It further recommended that upon satisfactory outcome in the pilot countries, the reforms should be extended to 20 other countries by 2009, 40 countries by 2010 and the rest by 2012.

The four ones at the country level:

- ☒ **One leader**
- ☒ **One program**
- ☒ **One budgetary framework**
- ☒ **One office**

The Panel also cautioned that while *“implementation should be undertaken with urgency”* it should not be *“ill planned and hasty that could compromise permanent and effective change.”*

Pilot countries for UN reform	
Asia	Viet Nam, Pakistan
Africa	Mozambique, Rwanda, Tanzania, Cape Verde
Europe	Albania
Latin America and the Caribbean	Uruguay

The UN Resident Coordinators are to take the lead in ensuring that the UN reforms are implemented in these countries.

One program

The International Labour Office sees definite benefits for the ILO's participation in establishing a coordinated UN program in each country. It also fits well with the introduction of Results Based Management (RBM) to overcome weaknesses in the outcomes of UN assistance through its programs and activities.

However, there are challenges that must be overcome. The main challenge is how to ensure that One UN includes the activities and programs that are based on the ILO mandate and objectives. This includes the international labour standards (ILS), the ILO supervisory machinery and a rights based approach to development, as well as the involvement of the social partners – the workers' and employers' organizations.

A further challenge is to ensure that the ILO's decent work agenda is included in the country-level United Nations development assistance framework (UNDAF⁶).

⁶ UNDAF: the common strategic framework for the operational activities of the United Nations system at the country level

In practice, experience has shown that out of all the Millennium Development Goals, the ILO has been most able to get itself involved with poverty reduction (goal 1). The ILO now needs to go beyond this and engage with all the MDGs. It is encouraging that it was recently decided not to use the “*One UN*” term anymore, but rather to speak about “*Delivering as One*”. It means that each agency will bring its distinct contribution to the process. For the ILO, our tools are the decent work country programs.

One leader

The *One Leader* concept means that one person, the United Nations resident coordinator will be responsible for the UN and its specialized agencies in each country. The resident coordinators will be the direct contacts with national governments. Their responsibilities will include discussions with the national government to develop the One UN country program, which the government will own and sign.

The other UN agency representatives will be part of the UN country team (UNCT). They will each have direct contact with the ministries relevant to their particular agency. For example, the ILO will continue to have its main contact with the labour ministry

The challenge in this regard is how to ensure that tripartism is safeguarded. In particular, this means (1) how can unions and employers’ organizations influence the program and activities developed under the Delivering as One UN program and (2) how can the ILO’s mandate of involving the social partners and the Ministry of Labour remain.

One budget

The concept of *One Budget* or “*One Fund*” involves all UN and specialized agencies, together with donors, pooling their resources in a single basket at the national level. Available resources would then be allocated based on the activities developed under the One UN program with the government.

The ILO is one of the smaller organizations among the UN agencies in terms of resources. This may be an opportunity for the ILO to use some resources from other UN agencies for programs that are based on ILO mandate and objectives.

On the other hand, there is a danger for the ILO that it could be marginalized in the process because of its limited resources, the small size of its team and the lack of ILO offices in some countries.

One office

The concept of *One Office* is to make the UN more transparent and cost effective. This involves overcoming duplication of office premises, administration and related costs.

For the ILO, this may be an opportunity to strengthen its programs and activities in countries where it does not have any office and which are now covered by the ILO regional or sub-regional offices. However all these developments have to be considered within the ILO's efforts to evaluate and strengthen its field structure. This is an important issue to be discussed and decided on by the ILO Governing Body with the active involvement of the Workers' Group.

Trade union involvement

Unions are encouraged to get involved in the UN reform process through their own established channels of communications with their governments and politicians. It is a matter of interest for both developing and the developed countries alike.

Implementation committees

In some countries, national level UN Reform implementation committees have been set up to oversee the execution of the reforms. So far, reports show that these committees are made up of Government departments, UN agency representatives and the donors. There is hardly any involvement of the unions in implementation committees at the national level. ILO offices at the regional, sub-regional and national level must ensure that they enter into

negotiations with other UN agencies only after discussions with their constituents and after taking due account of Decent Work Country Program priorities and approaches.

Joint missions

Similarly, experiments are being carried out at the international level to develop different models based on the concepts of “*One budget*”, “*One program*” and “*One leader*”. There are now a number of joint missions from UN agencies’ visiting the pilot countries to further the UN reform process in this regard.

Tripartism

Reports indicate that in these pilot countries trade unions are not fully involved. It is important that the representatives of the UN agencies in a country, as well as the ILO staff, understand and appreciate the concept of tripartism. The ILO values should be seen as enriching the wider UN community with ILO fully participating in the “Delivery as One” UN reform process.

ILO-UNDP joint planning

In January 2007 the ILO and the UNDP met and agreed to carry out joint action planning in a number of additional countries. A draft joint action plan has been developed for the 2007-08 period. Again, indications are that so far, unions are not involved in the development of these plans.

Opportunities

The UN reform changes envisaged will have a direct impact on the work of the trade unions. Therefore trade unions have to be active if they want to transform existing challenges into new opportunities. The box below outlines areas where trade union strategies can be developed.

Trade union strategies for One UN reforms

- Discuss the issues and implications within your union
- Appoint a coordinator to seek and provide information on the reforms

- Determine union priorities for change and funding
- Seek agreement with the ILO and the social partners on inputs to the implementation committee processes
- Seek agreement to input into the UN program for your country
- Develop proposals for funding from any wider resources available from the One UN budget in your country
- Raise concerns with the national government
- Raise concerns regionally
- Take steps to ensure unions are included in the national level committee established to implement One UN reform

Q & A UN Reform From a Workers Perspective

Q. What is meant by *UN Reform*?

A. The United Nations (UN) reforms are proposed changes to the ways the UN and its agencies operate.

Q. What is *One UN*?

A. One UN is a significant development particularly the manner in which the UN agencies will work at national level in each country, UN operations will be:-

- under one leader
- a common program
- one budget
- one office

It is also referred to as *Delivering as One*.

Q. What is the UNDAF and why is it important for the ILO and its social partners?

A. The United Nations Development Assistance Framework (UNDAF) – the centrepiece of the UN reform initiative launched in 1997 - is a strategic framework for the operational activities of the UN system at

the national level. It exemplifies a country-driven, collaborative and coherent response by the UN system to the development challenges facing the country. The UNDAF outlines the key development objectives and strategies for cooperation between the government, UN agencies and its partners. Initially called a “common operational document”, the UNDAF Action Plan sets the basis for the agreement and the workplan for all parties concerned. The United Nations Country Team (UNCT), led by the Resident Coordinator (RC), provides the management structure responsible for the implementation of the UNDAF.

Participation in the UNDAF process enables the ILO to further strengthen its capacity to fulfil its mandate of promoting Decent Work – full and productive employment for all. Through their contacts with the ILO office, the UNCT and the RC, as well as through the consultations with the civil society, the ILO’s social partners have an opportunity to ensure that their interests are taken on board.

Q. What is the current changing environment for international development like? What ILO staff and social partners should know?

A: Today, development effectiveness calls for more coherent and coordinated work by the UN at the country level. The UN must demonstrate greater alignment with national priorities and country systems, harmonization among development actors, including shared analysis, simplification, transparency and accountability in aid management for development results. The [2005 World Summit Outcome Document](#) approved by the General Assembly sets the bar for UNCT performance. Building on the results of the 2004 and 2007 [Triennial Comprehensive Policy Reviews](#), the 2005 [Paris Declaration on Aid Effectiveness](#), and the [2008 Accra Agenda for Action](#), country ownership, government leadership and participation in analytical processes and in the operationalization of the UNDAF is a must. The [UNDG Action Plan on the implementation of the Paris declaration](#) and the policy paper on the [UN Response to the Changing Aid Environment \(2008\)](#) outline specific commitments to promote UN effectiveness.

Supporting country capacities to manage development resources, including aid, and delivering on development results remains one of the most important mandates of the UN system at country level (UNDAF Guidelines, 2009, www.undg.org).

Q. Why should unions be involved?

A. Unions should seek involvement in UN reform because the International Labour Organization (ILO) will become more integrated with other UN agencies – especially at the national level. Only the ILO has a tripartite structure committed to the participation of unions. Tripartism is not well-understood by many other UN agencies. Therefore, the more unions can take part in the reforms and program development, the better chance they have of influencing what the UN does in each country.

Q. What are the benefits of *One UN*?

A. One UN should mean better co-ordination between UN agencies, donors and national governments. This should mean better delivery of UN programs and help economic and social development in each country.

Q. What are the challenges for unions?

A. The sustainable and equitable economic growth that reduces poverty can only be achieved through an emphasis on decent work. Unions are challenged by One UN to help ensure that the elements of decent work (more quality jobs including rights, freedom from exploitation and social protection) are priorities in the UN agenda, rather than afterthoughts. Unions are also challenged by the risk that social dialogue and tripartism may be diluted in the UN reform process.

Consultation with unions at country level on the UN reform has been problematic. In some cases unions have been part of a large group of NGOs with which the UNDP led UN Reform has held discussions.

Q. What are the opportunities and risks in the *one budget* concept?

The concept of *One Budget* or “*One Fund*” involves all UN and specialized agencies, together with donors, pooling their resources in a single basket at the national level. Resources are to be allocated to the activities developed under the One UN program between the UN and the government.

Among UN agencies, the ILO is one of the smaller organizations in terms of resources. This may be an opportunity for the ILO to use some resources from other UN agencies for programs that are based on ILO mandate and objectives.

On the other hand, there is a danger for the ILO that it could be marginalized in the process because of its limited resources, the small size of its team and the lack of ILO offices in some countries.

Q. Is social dialogue at risk?

A. Where unions exist, have the right to freedom of association and are allowed to bargain, there is higher pay, more secure work, more vocational training, more efficient economies, more just societies and less corruption. Today, the concepts of consultation, negotiation and compromise are undervalued. Social dialogue produces better results.. Unions, together with the other ILO constituents, need not be defensive about the process or outcomes of social dialogue. Positive messages about social dialogue and development need to be emphasised even more in the new UN system. Unions can be important advocates for this.

Q. When do the reforms begin?

A. They have already begun. The One UN concept is being trialled in Viet Nam, Pakistan, Mozambique, Rwanda, Tanzania, Cape Verde, Albania and Uruguay. If successful, the reforms will be extended to 20 other countries by 2009; 40 countries by 2010 and the rest by 2012. Joint implementation committees have been set up in some countries. There have been joint missions to advance the process. Joint planning between the ILO and the UN lead agency, UNDP, has already started.

Q. What are the UN Millennium Development Goals?

A. The eight United Nations Millennium Development Goals (MDGs) apply globally, regionally and nationally for the period 2000-2015. Each goal is supported by targets and indicators. The MDGs are:

1. Eradicate extreme poverty and hunger
2. Achieve universal primary education
3. Promote gender equality and empower women
4. Reduce child mortality
5. Improve maternal health
6. Combat HIV/AIDS, malaria and other diseases
7. Ensure environmental sustainability
8. Develop a global partnership for development

Q. What is the decent work agenda?

A. The decent work agenda is an integrated approach to achieve full and productive employment for all at global, regional, national, sectoral (industry) and local levels. Decent work has conditions of freedom, equity, security and human dignity.

Its central point is that economic growth is not enough to bring about significant poverty reduction. Growth needs to be accompanied with decent work to sustainably increase income levels and promote development. Without this, growth tends to produce wider inequities.

Q. How does decent work fit the MDGs?

A. The short answer is that it does not fit well at present. This is because their targets and indicators are not aligned. However, the UN General Assembly has recently stated that decent work is a central policy objective for development and part of efforts to achieve the Millennium Development Goals.

The decent work agenda is now expressed through decent work country programs. The Decent Work Country Programmes (DWCPs) should be drawn up with the full involvement of the social partners. The ILO is now working with UNDP to better integrate the decent work agenda with the MDGs.

While MDG goal 1, poverty reduction, is the most obvious area of fit, the decent work agenda is also highly relevant to goal 2 (through child labour), to goal 3 through its gender equity programs, to goals 4 and 5 through maternity protection, to goals 6 and 7 with occupational health and safety, and to goal 8 with employment development.

Q. How can unions respond?

A. Unions can respond to the UN reforms by first appointing someone to coordinate and provide information on it through union networks. Second, unions must identify their priorities. Third, unions should ensure that these priorities are reflected in the integrated One UN program framework as well as in the ILO's decent work country programs. Unions should make sure that they are included in the national level committees established for the implementation of the One UN programme. Other suggestions include:

- ☑ Discuss the issues at union meetings
- ☑ Seek agreement with the ILO and the social partners on inputs to the implementation committee processes
- ☑ Develop proposals for funding from the decent work country program and the One UN budget in your country
- ☑ Raise concerns with the national government, especially with labour and industry ministries.

Q. What resources can unions use?

A. ILO workers' group specialists are available in many countries, where they can be contacted through the ILO office. Resources available from your national trade union center can also be particularly useful.

The CEB Toolkit for Mainstreaming Employment and Decent Work

The entire UN system has been called upon to support countries in their efforts to provide employment and decent work for all. The High Level Committee on Programmes (HLCP) of the United Nations System Chief Executives Board for Coordination (CEB) asked the International Labour Organization (ILO) to play a catalytic role by

developing a *Toolkit for Mainstreaming Employment and Decent Work*.

The toolkit should be regarded as a process that permits all, social partners, government agencies and UN agencies and UN Country Teams, to see how their policies, strategies, programs and activities are interlinked with employment and decent work outcomes and how they can enhance these outcomes. It includes:

- a *diagnostic and awareness raising checklist* of questions for self-assessment,
- an *interactive web-based platform for knowledge management and sharing* of the tools for mainstreaming decent work (<http://cebtoolkit.ilo.org>) and,
- a *capacity building and awareness raising component*.

The tool kit aims at giving agencies and social partners the opportunity to assess their own processes and programs through a “decent work” lens.

Unions can also contact the ILO regional office specialists, using the internet link: www.oit.org/public/english/dialogue/actrav/staff/ycontac2.htm, or the ILO Workers’ Group (ACTRAV) at Geneva headquarters (actrav@ilo.org).

The ILO website (www.ilo.org) contains a wealth of information in English, French and Spanish. The main UN sites are www.un.org and www.undp.org.

ILO ACTRAV 2008

Contacts

Unions can contact the ILO Bureau for Workers' Activities (ACTRAV) at Geneva headquarters (actrav@ilo.org), or ACTRAV Specialists based at ILO offices (sub regional offices), and Specialists based with regional offices as below.

