

MEMORANDUM OF UNDERSTANDING

between the

International Labour Organization

and the

Ministry of Human Resources and Social
Security of China

September 2016

MEMORANDUM OF UNDERSTANDING

The International Labour Organization (“ILO”) and the Ministry of Human Resources and Social Security of China (“MoHRSS”), hereafter “the Parties”, have reached the following understanding in relation to the establishment and implementation of a strategic partnership.

I. Preamble

1. On 17 May 2001, the Parties signed in Beijing a Memorandum of Understanding (MoU) for Cooperation. The MoU emboldened the Parties to steadily deepen their cooperation, supporting domestic reform in China and social progress worldwide. A Joint Committee of the Parties was established to support a regular high-level policy dialogue. The Joint Committee convened eight times, reviewing cooperation and stimulating sound and continual progress on the agreed policy priorities within each of the four strategic objectives of the Decent Work Agenda.

2. Rapid changes in the world of work and China’s emergence as a major world economic power are now guiding the Parties to build on this MoU; recognize their common values and common interest in widening their social, economic and political engagement; and establish a strategic partnership. On the eve of the ILO’s centenary – and of the 40th anniversary of China’s Reform and Opening-up Initiative adopted in 1978 – China is the world’s second largest economy, home to nearly a quarter of the global workforce. To realize its long-term reform objectives of comprehensively

promoting social progress and inclusive growth; eradicating poverty and reducing inequality; economic transformation and innovation; ecological civilization; deepened reform based on a greater role for market forces in allocating resources and strengthening the rule of law, China is strengthening its labour market policies, social protection systems and building the harmonious labour relations that are the foundation of modern high-income market economies. The ILO is called upon by its member States – 187 at the time of signature of the present MoU – to guide the promotion of social justice, fair globalization and decent work. At a time when the world of work is being transformed by profound technological, demographic and geo-economic changes in the patterns of production and consumption within and across countries, the United Nations has placed the end of poverty in all its forms everywhere and the promotion of sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all at the heart of the 2030 Agenda for Sustainable Development.

3. The ILO and the MoHRSS have taken advantage of the MoU concluded in 2001 to significantly expand their development partnership. The Parties are closely cooperating in the G20 to promote more and better jobs as an indispensable factor for strong, sustainable and balanced growth, and a prerequisite for inclusive, interconnected and sustainable development. The Sanya Declaration of 2011 broke new ground for cooperation between the BRICS and the ILO based on the firm commitment of Leaders of emerging economies to “strengthen dialogue and cooperation in the fields of social protection, decent work, gender equality, youth, and

public health, including the fight against HIV/AIDS”. The Parties jointly contributed to the adoption by the United Nations of a set of Sustainable Development Goals that put the coordination of economic growth and job creation and the eradication of poverty and inequality at the heart of a global agenda steering economic and social development until 2030. China is also emerging as an ILO South-South and Triangular Cooperation partner, sharing its experience on public employment services and social protection with developing countries in Southeast Asia.

II. Mutually agreed objectives

1. The present MoU sets out the scope and objectives of a strategic partnership between the ILO and the MoHRSS. It is recognized that the MoHRSS will further strengthen policy coordination with the social partners and with relevant government agencies and that the ILO will support the development and implementation of Decent Work Country Programmes and cooperative programmes with the full participation of Chinese workers’ and employers’ organizations.

2. The present MOU sets out agreed policy priorities and mechanisms for a strategic partnership within each of the four strategic objectives of Decent Work. These objectives will be pursued in an integrated manner to ensure their effective realization in the context of China’s concrete reform targets set out initially in the 13th Five Year Plan and within the framework of the policy outcomes provided by the ILO Strategic Policy Framework and the UN Sustainable Development Goals.

3. Since 2001, tripartism has steadily gained strength as the bedrock of

integrated action to promote decent work. The decent work goals shared between the MoHRSS and government agencies such as the State Administration for Work Safety (SAWS) and the National Bureau for Statistics (NBS); and the social partners, i.e. the All-China Federation of Trade Unions (ACFTU) and the China Enterprise Confederation (CEC) have informed two Decent Work Country Programmes (DWCPs) implemented since 2001. Tripartite consultation and cooperation with a view to building harmonious labour relations will also substantiate the DWCPs designed to assist China with the implementation of its national development plans, beginning with the 13th Five-Year Plan.

4. It is recognized that the ILO is a key development partner of the People's Republic of China, which has the sovereign right and obligation to coordinate its own development activities as a member state of the ILO. In turn, the ILO contributes to delivering on the outcomes determined in the DWCP and the high-level priorities for cooperation between the UN system and China as laid out in the United Nations Development Assistance Framework (UNDAF). It is also recognized that the ILO is not a funding agency, and that it will cooperate with the MoHRSS to develop new partnerships with relevant government agencies, mass organizations, financial organizations and with the private sector; and new forms of resource mobilization, including South–South cooperation, domestic funding and public–private partnerships.

5. The Parties will jointly endeavour to deepen collaboration by:

- (1) promoting the expansion of research capacity on labour market policies and on research methodologies for Decent Work of government as well as academic institutes in China;
- (2) promoting the sharing of knowledge between the ILO, China's academic and research communities, and international research and expert networks;
- (3) promoting the programmes of the International Training Centre in Turin among constituents, academia and the private sector;
- (4) cooperating on the ILO Centenary Initiative, with a special focus on the Future of Work Initiative, and on the realization of decent work goals in the ILO's second century;
- (5) cooperating with a view to keeping quality jobs at the heart of the 2030 Agenda Sustainable Development and the G20 objective of strong, sustainable and balanced economic growth;
- (6) cooperating with a view to promoting mechanisms for global development finance that supports all dimensions of decent work, including global and regional development banks;
- (7) promoting the exchange of information and publications;
- (8) promoting cooperation between the MoHRSS and other agencies of the Government of China that can contribute to the promotion of decent work within their own mandate.
- (9) deepening cooperation to promote the DW Agenda through South-South and Triangular Cooperation.

III. Scope of Cooperation

A. International Labour Standards and the Promotion of Fundamental Principles and Rights at Work

1. The Parties will engage in activities to promote and realize the ILO Declaration on Fundamental Principles and Rights at Work, and to raise awareness of international labour standards as the platform for realizing decent work in China.
2. The Parties will undertake activities to promote China's ratification and application of up-to-date ILO Conventions, including fundamental and governance Conventions, with technical advisory services from the ILO.
3. The ILO will provide relevant stakeholders in China with policy advisory services and technical assistance in the application of ratified ILO Conventions, with particular attention to those on gender equality.
4. The ILO will provide technical advice to China on improving labour law with a view to meeting the challenges of economic transformation, taking into account relevant international labour standards.
5. China is committed to ensuring that the body of international labour standards remains up to date.

B. Quantity and Quality of Employment

1. The Parties will cooperate to secure technical advice informing China's labour market policies aimed at increasing the quantity and quality of employment for

women and men as well as to share China's knowledge and experience on employment promotion with ILO member States.

2. Technical advice informing China's policies will devote special attention to combating structural unemployment particularly of youth; adopting pro-employment macro-economic policies; strengthening skill needs forecasting and development; entrepreneurship development; improving employment quality for men and women by promoting rational income growth and better working conditions and will cover the sharing of experiences regarding the effectiveness of policies in dealing with the effects of technological change and structural transformation on the quantity and quality of employment.
3. The Parties will cooperate to strengthen China's system to collect, analyze and utilize labour market information disaggregated by sex and age, so as to guide policy on unemployment and underemployment and strengthen the capacity of employment services.
4. The Parties will cooperate to support China's just transition to a greener economy, including through the assessment of the labour market impact of green economy investments and strategies and the promotion of green business opportunities and greener workplace practices and business models.
5. The Parties will cooperate to promote responsible business practices inside and outside China with a view to enhancing sustainable competitiveness and productivity in multinational enterprises, supply chains, and small and medium enterprises.

C. Social Protection

1. The Parties will cooperate to secure technical advice informing China's policies on social security and social protection floors for men and women, as well as to share China's knowledge and experience on universal social protection with ILO member States.
2. The Parties will cooperate to strengthen the social insurance system in China, including the top design of the old-age pension system.
3. The Parties will cooperate with SAWS and the National Health and Family Planning Commission to integrate national policies for occupational safety and health and conditions of work, aiming at fostering a preventative safety and health culture and preventing major industrial accidents.
4. The Parties will cooperate to improve working conditions in China, including the establishment of a system to guarantee wage payments; improvement of the minimum wage adjustment mechanism; establishment of a regular wage increase mechanism with a view to adjusting wage increases to economic development, productivity improvements and to enlarging the group of middle-income earners. The Parties will cooperate to improve China's regulatory system for working hours, leave and periods of rest.
5. The Parties will cooperate to strengthen the capacity of labour and safety inspection services to promote compliance with legislation governing decent

conditions of work and the prevention of accidents, injuries and diseases at work in line with international labour standards.

D. Social Dialogue

1. The Parties will cooperate to enhance gender-representative tripartite consultation mechanisms at central and provincial levels as well as in industrial zones and at sectoral level.
2. The Parties will cooperate to improve the collective bargaining system and enhance the effectiveness of collective bargaining.
3. The Parties will cooperate to improve workplace cooperation mechanisms in areas such as occupational safety and health, workplace diversity and workplace adaptation for employability and productivity.
4. The Parties will cooperate to improve the system of individual and collective labour disputes, and enhance the capabilities of personnel serving labour dispute settlement.
5. The Parties will cooperate to assist in the capacity-building of government agencies and social partners.

IV. Modalities of implementation

1. The Parties undertake to regularly convene a Joint Committee through which they will:
 - i. Discuss progress made on the implementation of this MoU;

- ii. Provide the impetus for specific technical cooperation projects to be undertaken in the areas covered by this MoU;
- iii. Review priorities for cooperation with the International Training Centre of the ILO, Turin, to facilitate implementation of this MoU;
- iv. Consider such revisions to this MoU as may be deemed appropriate.

2. The Joint Committee shall meet once every 2 years, alternately in Beijing and in Geneva or at any other location which may be mutually agreed. The first meeting will be convened in Beijing in 2017. Representatives of the social partners will be invited to the proceedings of the Joint Committee.

3. Furthermore, the Parties shall explore ways to increase the number of Chinese nationals in the Office staff in all categories, in line with the objective of geographical diversity of Office staff, for instance by implementing appropriate JPO programmes with a view to identifying qualified young Chinese candidates for filling vacant positions in the Office.

4. The Joint Committee shall review and advise the Parties on the progress and sound development of South-South and Triangular Cooperation as required to give effect to the UN Sustainable Development Goals.

5. Any divergences in the interpretation of this MoU shall be resolved through consultation, or by other mutually agreeable means.

6. This MoU will become effective upon the signature of the authorized representatives of the Ministry of Human Resources and Social Security of China and the ILO.

7. The Parties may with their written mutual consent modify any part of this MoU.

8. Nothing in this MoU will be interpreted as constituting a waiver of the privileges and immunities of the ILO.

9. The present MoU supersedes the MoU for Cooperation between the International Labour Office and the Ministry of Labour and Social Security of the People's Republic of China concluded on 17 May 2001.

The present MoU is signed on 6 September 2016 in Beijing. It is in two original copies, each of them in English and Chinese; and both of them equally authentic.



Guy Ryder

*Director-General of
the International Labour Office*



Yin Weimin

*Minister of Human Resources and Social
Security of the People's Republic of China*