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FOURTH ITEM ON THE AGENDA

Agenda of the International Labour Conference

Purpose of the document

To submit to the Governing Body proposals for the agenda of the 103rd Session (2014) of the International Labour Conference and beyond, in light of the decision taken at the 313th Session (March 2012), taking into account the informal tripartite consultations held on 11 May and 20 September 2012. It provides an update on discussions on the process of setting the Conference agenda. The Governing Body is invited to provide the relevant guidance to the Office (see the draft decisions in paragraphs 10, 55, 90 and 98).

Relevant strategic objective: All four strategic objectives.

Policy implications: A decision to select items for the agenda of the 103rd (2014) and 104th (2015) Sessions of the Conference will have implications for the programme of those sessions of the Conference.

Legal implications: The usual implications arising from the application of the Standing Orders of the Conference and the Standing Orders of the Governing Body.

Financial implications: The usual implications of placing items on the Conference agenda.

Follow-up action required: Preparatory work for a second discussion by the Governing Body of the proposed Conference agenda items. Preparatory work for Conference discussions.

Author units: Standards and Fundamental Principles and Rights Sector, Employment Sector, Social Protection Sector and Social Dialogue Sector, Gender Bureau and the International Institute for Labour Studies.

Related documents: GB.312/INS/2/1; GB.312/INS/2/2; GB.312/WP/GBC/1; GB.313/INS/2; GB.313/WP/GBC/1; GB.316/INS/5/3; GB.316/15.

Introduction

1. The purpose of the present document is to submit to the Governing Body proposals for the agenda of the 103rd Session (2014) of the International Labour Conference and beyond, in light of the decision taken at the 313th Session (March 2012) of the Governing Body, and taking into account the informal tripartite consultations held on 11 May and 20 September 2012. The document also provides an update on the discussions concerning the process of setting the agenda of the Conference, in order to prepare for a more in-depth discussion on that subject at the 317th Session (March 2013) of the Governing Body.

2. At its 313th Session (March 2012), the Governing Body took the following decision concerning the agenda of the Conference:¹

The Governing Body:

- (a) requested the Office to make the appropriate arrangements to continue consultations on the process of setting the Conference agenda;
- (b) decided that the 103rd Session (2014) of the Conference would be held in Geneva;
- (c) as regards the agenda of the 103rd Session (2014) of the Conference:
 - (i) approved the proposal for a recurrent discussion on the strategic objective of employment;
 - (ii) agreed to postpone the selection of a second item pending the outcome of the discussions of the 101st Session (2012) of the Conference;
 - (iii) agreed to include the selection of the third item in the consultations on the agenda that would be pursued;
- (d) as regards the agenda of future sessions of the Conference, decided that the last two recurrent discussions of the cycle would be on social protection (labour protection) (2015), and fundamental principles and rights at work (2016), and that these items would be placed on the agenda of the Conference.

3. Under the ILO Constitution, the Governing Body is responsible for setting the agenda of the Conference, for which purpose it shall consider suggestions made by governments or representative employers' or workers' organizations and any public international organization.² This responsibility is regulated by the Standing Orders of the Governing Body. In particular, article 5.1.1 provides that "[w]hen a proposal to place an item on the agenda of the Conference is discussed for the first time by the Governing Body, the Governing Body cannot, without the unanimous consent of the members present, take a decision until the following session".

4. The practice of the Governing Body, as reflected in the Introductory Note to the Compendium of rules applicable to the Governing Body, is to consider the items to be placed on the agenda of the Conference at two successive sessions, so that the decision is taken two years prior to the opening of the session of the Conference in question. The first stage of the discussion takes place at its November session. The second stage takes place at its March session, and consists in adopting a definitive decision. If a decision cannot be taken at the March session, it is still possible to adopt a definitive decision at the following November session. In this respect, in contrast to standard-setting items, the recent practice of the Governing Body has been to select items for general discussion at a date much

¹ GB.313/PV, para. 18.

² Article 14(1) of the ILO Constitution.

closer to the session of the Conference in question to allow for the inclusion of topical issues on the agenda.

Selection of items for the agenda of the 103rd Session (2014) of the Conference and beyond

5. The present document focuses on proposals³ which, in light of the informal tripartite consultations held on 20 September 2012 and the additional comments received thereafter, appear more likely to meet with consensus in the Governing Body or raise sufficient interest for further consideration. The selection of items, including the determination of the session at which they should be discussed by the Conference, is within the responsibility of the Governing Body. The elements set out in the present document are intended to facilitate discussions and the decision by the Governing Body. In this respect, the document draws a distinction between proposals that might be considered for the 103rd Session (2014) of the Conference and for the 104th Session (2015) and beyond.
6. The overview of these proposals and the related decisions that might be taken by the Governing Body is as follows:

103rd Session (2014) of the Conference

Proposal	Nature	The Governing Body is invited to:
1. Supplementing the ILO's forced labour Conventions to address prevention and victim protection, including compensation, as well as human trafficking for labour exploitation	Standard setting	Hold a second discussion on the proposal at its 317th Session (March 2013) in light of the outcome of a meeting of experts
2. Facilitating gradual transitions from the informal economy to the formal economy	Standard setting	Hold a second discussion on the proposal at its 317th Session (March 2013)
3. Decent work in global supply chains, including export processing zones (EPZs)	General discussion	Provide guidance on the inclusion of this proposal in the agenda of the 103rd Session (2014) of the Conference or beyond

104th Session (2015) of the Conference or beyond

Proposal	Nature	The Governing Body is invited to:
4. Revision of the Employment (Transition from War to Peace) Recommendation, 1944 (No. 71)	Standard setting	Provide guidance on the inclusion of this proposal in the agenda of the 104th Session (2015) of the Conference, noting relevance of the matter to the 2014 recurrent discussion on employment
5. Gender-based violence in the world of work	Standard setting	Provide guidance to the Office concerning any follow-up action
6. Building a diverse and inclusive world of work	General discussion	Provide guidance to the Office concerning any follow-up action

Proposals for further consideration

Proposal	Nature	The Governing Body is invited to:
7. Proposals regarding the resolution of labour disputes	To be determined in light of the outcome of the 102nd Session (2013) of the Conference	Postpone the consideration of this proposal pending the outcome of the 102nd Session (2013) of the Conference
8. A proposal concerning a Convention (supplemented by a Recommendation) on the transition of the world of work towards a low carbon economy	Standard setting	Postpone the consideration of this proposal pending the outcome of the 102nd Session (2013) of the Conference

³ The contents of all the proposals have been developed through an enhanced Office-wide coordination process.

7. The proposals are mainly new topics arising out of Conference discussions, Governing Body debates, and suggestions made by constituents or by the Office. Prior to the informal tripartite consultations held on 20 September 2012, the secretariat of the Employers' group sent the Office a document containing six proposals for consideration as Conference agenda items. Three of these are taken into account below. Three other proposals – relating to small and medium-sized enterprises (SMEs), technical cooperation and the public sector – would need to be further elaborated upon. Comments and suggestions on the selection of Conference agenda items were also submitted by the secretariat of the Workers' group, the Africa group and the group of industrialized market economy countries (IMEC) after the informal tripartite consultations.

Proposed items already considered by the Governing Body

8. At its 313th Session (March 2012), the Chairperson of the Governing Body indicated that the views expressed by members of the Governing Body concerning seven items on the pending list of proposed Conference agenda items would feed into the ongoing informal tripartite consultations.⁴ Four of the proposals have been retained for further consideration: the revision of Recommendation No. 71, the promotion of sound industrial relations through the prevention and resolution of labour disputes; decent work in global supply chains; and decent work in EPZs.
9. The three following proposals remain.
- (a) A possible Recommendation on policy coherence among economic, financial, employment and social policies (further to the recurrent discussion on the strategic objective of employment) (standard setting). In light of the consultations held in September 2012, it is proposed that this proposal, which arises from the conclusions of the recurrent discussion on employment at the 99th Session of the Conference, be examined within the framework of the 2014 recurrent discussion on employment to allow for further tripartite review of the issues.
 - (b) A possible Recommendation on the right to information and consultation (standard setting – revision and consolidation as a follow-up to the conclusions of the Cartier Working Party). In light of the consultations held in September 2012, it is proposed that this question be addressed within the framework of the 2013 recurrent discussion on social dialogue.
 - (c) A general discussion on finance with a social purpose. The consultations supported the proposal made by the Office to the Governing Body at its 313th Session (March 2012) to eliminate this item from the list, as it failed to garner the support of constituents.

Draft decision

10. *The Governing Body requests the Office to:*

- (a) *include in the report to be prepared for the recurrent discussion on employment at the 103rd Session (2014) of the Conference the question of a possible Recommendation on policy coherence among economic, financial, employment and social policies;*

⁴ GB.313/PV, para. 18.

- (b) *include in the report to be prepared for the recurrent discussion on social dialogue at the 102nd Session (2013) of the Conference the question of a possible Recommendation on the right to information and consultation;*
- (c) *remove from its consideration the existing proposal relating to finance with a social purpose.*

I. Proposals for possible inclusion on the agenda of the 103rd Session (2014) of the Conference

11. Three proposals are submitted for consideration by the Governing Body for the 103rd Session (2014) of the Conference: two with a view to standard setting, and one for a general discussion. In accordance with its usual practice of selecting three technical items on the Conference agenda, and taking into account the decision taken at its 313th Session (March 2012) to select a recurrent discussion on employment, the Governing Body may wish to select two of the following proposals.

A. Supplementing the ILO's forced labour Conventions to address prevention and victim protection, including compensation, as well as human trafficking for labour exploitation (standard setting) *(A proposal to follow up the resolution and conclusions adopted at the 101st Session (2012) of the International Labour Conference concerning the recurrent discussion on the strategic objective of fundamental principles and rights at work)*

Background

12. This proposal is submitted to the Governing Body for the first time. It was developed by the Office in preparation for the informal tripartite consultations held in September 2012, having regard to the conclusions concerning the recurrent discussion on fundamental principles and rights at work adopted by the Conference at its 101st Session (2012). In particular, these conclusions call on the ILO to “conduct a detailed analysis, including through the possible convening of meetings of experts to identify gaps in existing coverage of ILO standards with a view to determining whether there is a need for standard setting to: (i) complement the ILO's forced labour Conventions to address prevention and victim protection, including compensation; and (ii) address human trafficking for labour exploitation”.⁵ Support was expressed for this proposal by the secretariats of the Employers' and Workers' groups, which both called for the necessary steps to be taken so that the Governing Body could approve at its 316th Session (November 2012) the holding of the meeting of experts in February 2013. The representatives of the two groups suggested that any proposed standard-setting item might ultimately be referred to the Conference with a view to a single discussion. IMEC emphasized the need to await the

⁵ ILO: “Conclusions concerning the recurrent discussion on fundamental principles and rights at work”, in *Provisional Record* No. 15, ILC, 101st Session, Geneva, 2012, para. 22(c).

outcome of the meeting of experts and to hold further discussions on the scope of the ILO's mandate with regard to human trafficking.

13. In this context, the Governing Body may wish to hold a first discussion on the proposal on the basis of the elements set out below and to indicate whether it wishes to hold a second discussion at its 317th Session (March 2013) in light of the outcome of the meeting of experts, with a view to deciding whether to place the proposal on the agenda of the 103rd Session (2014) of the Conference as a standard-setting item. The organization of the meeting of experts is referred to in two documents submitted to the Governing Body for decision at its current session: the first contains a proposed plan of action on fundamental principles and rights at work;⁶ and the second sets out the recommendations of the Officers relating to the meeting of experts.⁷ In particular, the plan of action contains a proposal to convene the meeting of experts in early 2013 on this issue, with consideration being given to a new standard to supplement the forced labour Conventions.⁸ Should the Governing Body decide to select the proposal at its 317th Session (March 2013), it would also have to decide whether to refer it to the Conference with a view to a single discussion, with a programme of reduced intervals for the reports to be submitted, in accordance with the single discussion procedure, set out in article 38 of the Standing Orders of the Conference.

Purpose

14. Subject to the outcome of the meeting of experts, the proposal is aimed at supplementing the ILO forced labour Conventions in relation to the prevention and protection of victims, including compensation and human trafficking for labour exploitation, to address forced labour in a more comprehensive and effective manner.

Response to the needs and realities of constituents in light of the ILO's strategic objectives

15. In recent years, the persistent use of forced labour has been the subject of growing international attention, with particular reference to human trafficking. In June 2012, the ILO published a new global estimate of forced labour, emphasizing that it was more pervasive than previous data had suggested. The ILO estimates that there are at least 20.9 million victims of forced labour globally, affecting all regions. New data suggest a strong link between forced labour and migration, with almost half (44 per cent) of all forced labour victims being involved in cross-border or internal migration.
16. Those who exact, aid or abet forced labour generate vast illegal profits, with domestic work, agriculture, construction and manufacturing among the sectors most concerned. While forced labour can occur in both the formal and informal economy, workers in the informal economy lack protection and are more vulnerable. Growing interaction across countries and between enterprises has also raised concerns over forced labour in global supply chains.

⁶ GB.316/INS/5/3, para. 15.

⁷ GB.316/INS/15/4.

⁸ The Forced Labour Convention, 1930 (No. 29), and the Abolition of Forced Labour Convention, 1957 (No. 105).

17. The elimination of forced labour is one of the 19 strategic outcomes set out in the ILO Strategic Policy Framework.⁹ In light of the vulnerability of the growing number of victims of forced labour in the sectors mentioned above, it seems appropriate to review the need for additional guidance for member States to reinforce the protection and assistance to be provided to all victims of forced labour, including victims of trafficking.

Added value

18. The ILO's forced labour Conventions are among its most widely ratified instruments, and the comments of the ILO supervisory bodies and experience from technical cooperation provide important guidance to constituents in addressing a broad range of forced labour practices, as defined in Convention No. 29. Nevertheless, the scope and evolving dimensions of forced labour provide the impetus for considering whether the ILO's standards could be supplemented to address forced labour in a more comprehensive and effective manner.
19. Outside the ILO, action against forced labour has crystallized around the concept of human trafficking, as defined in the United Nations Protocol to Prevent, Suppress and Punish Trafficking in Persons, especially Women and Children (the "Palermo Protocol").¹⁰ Other international and regional initiatives have led to the adoption of instruments on human trafficking, including the establishment of supervisory mechanisms in certain cases. These initiatives have emphasized a criminal justice response to human trafficking. However, such an approach has meant that efforts to prosecute traffickers have generally been accorded greater priority than the prevention of trafficking in persons and protection of victims. It is therefore important to promote a complementary approach that takes into account, in particular, the role of labour inspection in preventing and combating forced labour. While the criminal justice focus has tended to privilege efforts to detect, investigate and prosecute trafficking offences, law enforcement agencies often have less expertise in the monitoring and detection of work-related offences that amount to forced labour. A new ILO standard could therefore make an important contribution by providing additional guidance to member States on policies for effectively preventing forced labour and improving the protection and assistance for all its victims, such as bonded labourers, victims of slave labour and victims of trafficking.

Expected outcome

20. Subject to the Governing Body decision concerning the meeting of experts, the expected outcome would be an international labour standard (ILS) to supplement the forced labour Conventions. The standard could introduce specific measures on prevention and the protection of victims, including compensation, taking into account the specificities of human trafficking. It would therefore address more vigorously one of the major challenges facing the world of work.

⁹ GB.304/PFA/2(Rev.), para. 70.

¹⁰ United Nations General Assembly Resolution 55/25 of 15 November 2000.

Preparation of the Conference discussion

21. Pending the possible convening of a meeting of experts and its outcome, the preparation of the Conference discussion would build on the Global Reports,¹¹ the information gathered on national law and practice and the analysis undertaken by the ILO supervisory bodies, including two recent general surveys by the Committee of Experts on the Application of Conventions and Recommendations¹² and their discussion by the Conference Committee on the Application of Standards.¹³ It would also build on the expertise and knowledge relating to the elimination of forced labour that have been acquired through technical cooperation. Consultation with and comments of the United Nations and other international and regional organizations would also be part of the preparation of the Conference discussion.
22. All relevant units in the Office, both at headquarters and in the field, would collaborate closely in preparing the meeting of experts and beyond. Appropriate consultations would also be held with constituents.

B. Facilitating gradual transitions from the informal economy to the formal economy (standard setting) *(A proposal based on a suggestion by the secretariat of the Employers' group and supported by the secretariat of the Workers' group)*

Background

23. This proposal is submitted to the Governing Body for the first time. It arises from a suggestion made by the secretariat of the Employers' group in the context of the informal tripartite consultations held in September 2012 for a Recommendation as a single discussion item. Support was expressed by the secretariat of the Workers' group for the proposed standard-setting item with a view to a double discussion. Support was also expressed by a number of governments, in particular the Africa group. IMEC also supported the proposal on the condition that the standard-setting discussion was preceded by a general discussion.

¹¹ ILO: *The cost of coercion*: Global Report under the follow-up to the ILO Declaration on Fundamental Principles and Rights at Work, Report IB, ILC, 98th Session, Geneva, 2009; ILO: *A global alliance against forced labour*: Global Report under the follow-up to the ILO Declaration on Fundamental Principles and Rights at Work 2005, Report IB, ILC, 93rd Session, Geneva, 2005; ILO: *Stopping Forced Labour*: Global Report under the follow-up to the ILO Declaration on Fundamental Principles and Rights at Work, Report IB, ILC, 89th Session, Geneva, 2001.

¹² ILO: *Giving globalization a human face*, General Survey on the fundamental Conventions concerning rights at work, Report III (Part IB), ILC, 101st Session, Geneva, 2012; ILO: *Eradication of forced labour*, General Survey concerning the Forced Labour Convention, 1930 (No. 29), and the Abolition of Forced Labour Convention, 1957 (No. 105), Report III (Part IB), ILC, 96th Session, Geneva, 2007.

¹³ ILO: *Provisional Record* No. 19(Rev.), Part One, ILC, 101st Session, Geneva, 2012, paras 59–104; ILO: *Provisional Record* No. 22, Part One, ILC, 96th Session, Geneva, 2007, paras 85–133.

24. The Governing Body may therefore wish to hold a first discussion on this proposal in light of the elements set out below. This proposal builds on the Conference conclusions concerning decent work and the informal economy (2002), as well as the ILO Tripartite Interregional Symposium on the Informal Economy, held in 2007.

Purpose

25. The proposal is for a standard-setting item with a view to the adoption of a Recommendation to guide member States on how best to facilitate gradual transitions from the informal economy to the formal economy. It is proposed to put together knowledge on innovative solutions and up-to-date experience (legal, policy, institutional, governance and other interventions) which have proved successful in supporting the transition of informal workers and enterprises to formality, preventing others from entering the informal economy and enhancing rights and opportunities. This would build on the ILC 2002 conclusions on the informal economy, other tripartite discussions, research and technical cooperation supporting the transition to formality. General lessons would be drawn from these solutions and experiences as a basis for the Recommendation, which would identify the multifaceted and multi-segmented nature of informality in terms of employment status, working arrangements, working conditions, the sectoral specificities of informality, and the associated costs and benefits, which all have implications in terms of possible responses.

Response to the needs and realities of constituents in light of the ILO's strategic objectives

26. A significant share of working people globally, and particularly in developing countries, are working in conditions of informality and are deprived of basic rights and decent work opportunities. Although the informal economy covers many different realities, there is growing awareness that inclusive development is not possible without extending rights and opportunities to informal economy workers, or facilitating gradual transitions to the formal economy by, inter alia, creating incentives for formal enterprises and jobs. Cooperatives have also been recognized as having an important role to play in formalizing the informal economy as highlighted in the Promotion of Cooperatives Recommendation, 2002 (No. 193).¹⁴
27. Beyond these fundamental linkages between the informal economy, economic development and decent work, there are three main reasons why the proposed item would be especially timely and relevant in light of the needs of constituents.
28. First, this is an area of intense policy debate and recent policy innovations, which have met with success in certain countries. There is a wealth of experience in this area which has been gathered by the ILO through its research, policy advice and technical cooperation activities. By putting together the main lessons from these debates and experiences, and providing guidance through a Recommendation, member States would have at their disposal an important benchmark against which they could assess their policies. Experience highlights the relevance of a wide range of policies and their combination in facilitating gradual transitions to formality (in such areas as fundamental principles and rights at work, social security, working conditions, occupational safety and health, employment and income opportunities, education and skills development, access to finance and markets, law enforcement, industrial policy, infrastructure, enterprise registration, promotion of cooperatives and other social economy enterprises, labour administration and labour inspection, a transparent and democratic governance system and social dialogue).

¹⁴ Para. 9.

These policies need to take into account the range of informal work arrangements and their gender and sectoral dimensions. The available evidence suggests that well-designed policies can facilitate gradual transitions to formality and effectively promote the formal economy in a manner that provides new opportunities for all workers and enterprises, including for those in the informal economy to move to the formal economy.

29. Second, the need for integrated approaches suggests that a new instrument on facilitating gradual transitions to the formal economy would help to improve policy coherence at the national level between the four strategic objectives of employment, social protection, social dialogue and fundamental principles and rights at work, with gender as a cross-cutting issue. The persistence of a large informal economy is incompatible with making substantial progress in achieving decent work and undermines the ability of enterprises to become more productive.
30. Third, a new instrument would help to shift global policy attention towards job quality as a driver of economic development. Transforming informal activities into formal activities enhances economic efficiency and welfare and thus contributes to productivity, sustainable growth and development. Countries that achieve successful transitions to formal employment will have a stronger basis for promoting core worker rights and funding pro-development programmes and social protection, thereby permitting economic growth with social equity. As a result, a Recommendation would make a contribution to the global policy debate on the post-2015 development framework and the Sustainable Development Goals (SDGs), which are being discussed in the wake of the Rio +20 Summit and the conclusion of the Millennium Development Goals timeframe.

Added value

31. The 2002 ILC conclusions on the informal economy enlarged the notion of informality to encompass all forms of informal employment. The 2007 Tripartite Interregional Symposium on the Informal Economy examined emerging good practices and underscored the multiple pathways to formalization. It also emphasized the need for standards on domestic workers, which have since been adopted.
32. The main added value of a Recommendation would be to provide guidance to constituents in their efforts to address the informal economy in a comprehensive manner and to encourage transitions to formality. In general, ILS are not restricted in scope to the formal economy and are therefore applicable to the informal economy, and several ILO standards include provisions referring specifically to the informal economy. However, none of them provide the kind of broad policy guidance that is required. The need for a comprehensive approach has also been highlighted by other organizations, including the World Bank, the Organisation for Economic Co-operation and Development (OECD) and the World Trade Organization.
33. A Recommendation on facilitating gradual transitions from the informal economy to the formal economy would also usefully supplement the Employment Policy Convention, 1964 (No. 122), as well as the recent Social Protection Floors Recommendation, 2012 (No. 202), and the Employment Relationship Recommendation, 2006 (No. 198). It would follow up on the outcomes of earlier Conference discussions, and particularly the conclusions on the informal economy, the promotion of sustainable enterprises (2007), gender equality at the heart of decent work (2009), labour administration and labour inspection (2011) and the recurrent discussions on employment (2010), social protection (social security) (2011) and fundamental principles and rights at work (2012). In addition, it would be a follow-up to the call made by the Global Jobs Pact for quality jobs as a sustainable means of recovering from the crisis. Finally, it could have important global

implications in view of the potential effects on sustainable growth of concerted action to address the informal economy through a well-designed set of policies.

Expected outcome

34. The instrument would contribute to addressing a major gap in ILO standards. It would supplement the existing body of instruments, and particularly those on employment promotion, fundamental principles and rights at work, the employment relationship, working conditions, occupational safety and health, social security and labour inspection.
35. It would also allow the ILO to enhance its standing as a global forum for the discussion of good practices in this area, the provision of guidance to governments, employers and workers and the promotion of concerted action for socially inclusive development. The instrument would help to advance knowledge on policies that work in addressing the informal economy. This is crucial, as such knowledge is requested both within the ILO and at the global level, notably for the implementation of the post-2015 development framework, the Rio +20 outcomes and the G20. It would also enable the ILO to have a major input into the SDGs.

Preparation of the Conference discussion

36. The conclusions of the recurrent discussion on fundamental principles and rights at work (2012)¹⁵ called on the ILO to convene a meeting of experts on advancing fundamental principles and rights at work in the informal economy. Such a meeting could be convened at the latest in May 2013, subject to Governing Body approval. It could assist in the preparation of the discussion of a possible instrument on gradual transitions from the informal economy to the formal economy. In light of the positions expressed, this proposed item could be considered with a view to a double discussion, possibly starting at the 103rd Session (2014) and to be completed at the 104th Session (2015) of the Conference.
37. To reflect the multi-dimensional nature of the issue, an ILO task force, including Geneva-based units and the regions, would be constituted for the preparatory work, and particularly to address the research and knowledge gaps. It is important to use the work undertaken by the Office in the priority area of the informal economy for the 2014–15 programme and budget to support standard setting. The Office should also engage in a broad consultation process with constituents, and particularly with organizations representing people in the informal economy.

¹⁵ ILO: Conclusions concerning the recurrent discussion on fundamental principles and rights at work, *Provisional Record* No. 15, ILC, 101st Session, Geneva, 2012, para. 13(c). See also the plan of action on fundamental principles and rights at work, GB.316/INS/5/3, para. 18.

C. Decent work in global supply chains, including export processing zones (general discussion)
(A proposal to consolidate two pending proposals before the Governing Body)

Background

38. In the context of the informal tripartite consultations in September 2012, the Office proposed to consolidate two existing proposals on decent work in global supply chains¹⁶ and in EPZs¹⁷ into a single proposal encompassing the four pillars of the Decent Work Agenda. Support for the proposal was expressed by the secretariats of the Employers' and Workers' groups, and some governments. In particular, there was strong support within IMEC and the Africa group for the proposal. The secretariat of the Workers' group indicated that the proposal could also be placed on the agenda of sessions beyond the 103rd Session (2014) of the Conference.
39. In this context, the Governing Body may wish to consider the proposal in light of the elements set out below and to provide guidance on its inclusion on the agenda of the 103rd Session (2014) of the Conference or beyond. Since the two original proposals were considered previously by the Governing Body, this combined proposal would not be deemed to be a new item requiring a second discussion by the Governing Body.¹⁸

Purpose

40. The reorganization of production through global supply chains, some of which include EPZs, provides many opportunities for employment creation and economic collaboration. At the same time, there is debate on the implications for the quantity, quality and distribution of employment throughout the world. The issues that arise include understanding and maximizing the potential to generate growth and productive employment, while addressing its qualitative aspects and questions concerning the application of ILS.
41. The increasing importance of this subject for constituents is reflected in the many references made to it in the Global Jobs Pact, the HIV and AIDS Recommendation, 2010 (No. 200), and the Conference conclusions concerning the promotion of sustainable enterprises (2007), gender equality (2009), labour administration (2011) and fundamental principles and rights at work (2012). However, the issue has never been addressed in a comprehensive discussion within the ILO.

¹⁶ GB.313/INS/2, Appendix, paras 20–34.

¹⁷ *ibid.*, paras 40–52.

¹⁸ The proposal concerning decent work in global supply chains (general discussion) has been on the list of proposals pending before the Governing Body since its 297th Session (November 2006) and has been discussed by the Governing Body with its current membership since its 312th Session (November 2011). The proposal concerning export processing zones (general discussion) has been on the list of proposals pending before the Governing Body since its 306th Session (November 2009) and has been discussed by the Governing Body with its current membership since its 312th Session (November 2011).

**Response to the needs and realities of constituents
in light of the ILO's strategic objectives**

42. Supply chains have a major impact on the structure of product, service and labour markets across the world and have led to significant changes in the international division of labour and in the trade flows. Global supply chains are a principal means whereby many developing countries are linked to the global economy, and in some cases have resulted in significant enterprise and employment creation and growth.
43. In addition, value chains can disseminate knowledge and productive technologies across economies at different stages of development, thereby improving performance and productivity. This may contribute to productive transformation and a dynamic economic catching-up process through spill-over effects.
44. Given these opportunities, many governments, employers' and workers' organizations are keenly interested in gaining a better understanding of the circumstances in which engagement with supply chains can help a national economy to grow in a sustainable and inclusive manner and contribute to realizing decent work for all.
45. A body of knowledge is emerging to inform ILO constituents. For example, labour administration and inspection in some States have lagged behind in their capacity to address successfully the needs and challenges arising out of global value chains, while other States have successfully harnessed their economic benefits and improved working conditions (including safety and health). Various strategies have been employed, including promotional measures, strategic deterrence and partnerships with voluntary initiatives, to reinforce the traditional enforcement function and improve compliance. Studying comparative experiences can provide important inputs into policy development. A deeper evidence-based understanding of the opportunities and risks, as well as the roles of governments and employers' and workers' organizations, is key when policy advice is sought from the ILO.¹⁹
46. Workers' organizations, in particular, have expressed concern that the organization of production around supply chains can create costs for government and society (in terms of foregone tax income and payments for utilities, land and other national resources) and can compromise rights at work, including social dialogue and collective bargaining. To address these concerns, multinational enterprises and Global Union federations have negotiated a number of international framework agreements (IFAs), with emphasis on respect for ILS. These IFAs are often intended to cover workers throughout supply chains.
47. Employers' organizations have expressed concern that the proliferation of codes of conduct and monitoring regimes can give rise to additional costs and uncertainty for enterprises, without necessarily resulting in improved labour conditions. There is concern that enterprises are expected to shoulder responsibilities that should be met by the respective governments.

¹⁹ As demonstrated by the many requests received by the ILO Helpdesk for Business on International Labour Standards.

Added value

48. While sectoral meetings²⁰ and Conference discussions have examined certain aspects of the impact of global supply chains,²¹ and one tripartite meeting on EPZs has been held over ten years ago,²² the ILO has not had the opportunity to discuss the issue as a whole, addressing all the aspects related to its core mandate.
49. With a view to encouraging the positive contribution that global supply chains can make to economic and social progress, and minimizing and resolving the difficulties to which they may give rise, a general discussion on global supply chains, including EPZs, would touch on the ILO's four strategic objectives. The discussion would provide an important opportunity for the Conference to take stock of the existing body of research, the opportunities and risks related to global supply chains and EPZs, existing policy options, such as the promotion of cooperatives, and possible ways forward.
50. The discussion would also provide an opportunity for the ILO to take stock of the many initiatives related to global supply chains that make reference to the promotion of ILS. Recent initiatives include a growing number of IFAs, the inclusion of certification systems in trade agreements, the UN Global Compact, the OECD Guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights. There are also numerous initiatives by private bodies seeking to expand into the social sphere, such as the International Organization for Standardization. These initiatives would be evaluated, taking into account the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration), to develop a coherent policy response.

Expected outcome

51. The Conference discussion would send a strong policy signal to encourage the ILO and its tripartite constituents to engage more actively in addressing any unresolved issues related to global supply chains and EPZs. In particular, it would offer guidance to constituents on the issues and to the ILO on how to reaffirm its mandate and respond to the opportunities to further increase policy coherence.
52. The identification of potential areas for inter-agency work (taking into account the mandate and priorities of each multilateral organization) and of future ILO action (including through technical cooperation projects and public-private partnerships) would be particularly important. As a result, the ILO's mandate in relation to global supply chains would be clarified and reinforced, and guidance would be provided for future ILO work on global supply chains and EPZs, including on the promotion of the MNE Declaration.

²⁰ Tripartite Meeting on Promoting Fair Globalization in Textiles and Clothing in a Post-MFA Environment, Geneva, 24–26 October 2005; Tripartite Meeting to Examine the Impact of Global Food Chains on Employment, Geneva, 24–27 September 2007.

²¹ The subject will be addressed during the recurrent discussion on social dialogue at the Conference in 2013, but only in terms of the implications of global supply chains for social dialogue.

²² Tripartite Meeting of Export Processing Zones-Operating Countries, Geneva, 28 Sep.–2 Oct. 1998.

Preparation of the Conference discussion

53. The report for this agenda item would build on a considerable knowledge base, both in terms of research and policy guidance resulting from other Conference discussions, and the lessons learned from the delivery of programmes targeting decent work challenges in global supply chains and EPZs.
54. With a view to identifying policies, good practices, programmes and tools to achieve productive employment and decent work in global supply chains, including EPZs, it is proposed that the discussion would consider:
- key structural changes, trends and drivers;
 - implications of global supply chains, including EPZs, on the quantity, quality and distribution of employment;
 - policies and good practices to promote the integration of local SMEs and other companies into global supply chains, and strategies to accelerate the upgrading of labour force skills, improve organizational procedures and increase productivity;
 - the role of ILS and fundamental principles and rights at work;
 - strategies that build on multiple, complementary approaches to achieving workplace compliance;
 - the distinct roles and responsibilities of governments, employers and workers at the national and international levels, including the relationship between the government's role in law enforcement, the role of the social partners in engaging in dialogue and the promotion of compliance through corporate social responsibility (CSR) initiatives;
 - the effects of global supply chains on the changing nature of the employment relationship, as well as on collective bargaining and social dialogue; and
 - the role of international organizations representing workers and employers at the global level, including by sector.

Draft decision

55. *With regard to the agenda of the 103rd Session (2014) of the Conference, the Governing Body:*
- (a) *decides to hold a second discussion at its 317th Session (March 2013) concerning:*
- (i) *the proposal for a standard-setting item to supplement the forced labour Conventions in light of the outcome of the meeting of experts that could be organized in February 2013 under the follow-up to the conclusions concerning the recurrent discussion on fundamental principles and rights at work adopted by the Conference at its 101st Session (2012);*
 - (ii) *the proposal for a standard-setting item on facilitating gradual transitions from the informal economy to the formal economy; and*

- (b) *is invited to provide guidance on the inclusion of the following item: decent work in global supply chains, including export processing zones (general discussion).*

II. Proposals for possible inclusion on the agenda of the 104th Session (2015) of the Conference and beyond

56. The **five proposals** set out below are those for which the Office was invited to submit elements for the consideration of the Governing Body, either as proposals for the Conference agenda (two proposed standard-setting items and one general discussion), or as proposals to be further examined in light of the outcome of the discussions at the 102nd Session (2013) of the Conference.

A. Revision of the Employment (Transition from War to Peace) Recommendation, 1944 (No. 71) (standard setting) *(Follow-up to the conclusions of the Cartier Working Party)*

Background

57. This proposed standard-setting item is one of the items that have been pending before the Governing Body for several sessions.²³ In the context of the informal tripartite consultations held in September 2012, it was considered interesting by the secretariat of the Workers' group and supported by the Africa group. The Office was invited to examine more fully how the proposed standard-setting action could be made useful in the twenty-first Century.

58. In this context, the Governing Body may wish to consider the proposal in light of the elements set out below and provide guidance as to its inclusion on the agenda of the 104th Session (2015) of the Conference at the earliest.

Purpose

59. Recommendation No. 71 was proposed for revision by the Cartier Working Group in 1999. This is the only standard that specifically provides for measures to promote the reconstruction of post-conflict societies through employment. However, the characteristics of conflicts and post-conflict recovery have changed considerably since the end of the Second World War. The Recommendation therefore needs to be reconsidered if its full potential is to be realized and governments, employers and workers provided with appropriate guidance.

Response to the needs and realities of constituents in light of the ILO's strategic objectives

60. Since the adoption of Recommendation No. 71 in 1944, major geopolitical developments have resulted in changes in the characteristics of contemporary conflicts. Following the end of the Cold War, there has been an increase of internal armed conflict, often sparked

²³ GB.313/INS/2, appendix, paras 59–75.

by ethnic or religious differences. The general climate of insecurity, particularly for civilians, is also a new factor, as many latent tensions continue to persist after the cessation of hostilities and threaten to ignite further clashes. Employment and income generation are normally vital in post-conflict situations for short-term stability, socio-economic reintegration and the achievement of sustainable peace. The shift in the nature of conflicts has brought this topic back to the centre of peace-building efforts. Consequently, various summits and institutions have reiterated the importance of decent work and the need to enhance its impact through the concrete measures outlined in the United Nations Policy for Post-conflict Employment Creation, Income Generation and Reintegration, adopted in 2008 (the “UN Policy”).

Added value

- 61.** As a result of its unique tripartite structure and experience, and its mandate in relation to employment promotion, ILS and social justice, the ILO has a clear comparative advantage for the promotion of employment in post-conflict situations, in collaboration with other international organizations and UN specialized agencies. The ILO Declaration on Social Justice for a Fair Globalization (2008), recalling the terms of the Philadelphia Declaration,²⁴ recognizes that the ILO has a key role to play in the peace-building process.
- 62.** The issue of rebuilding post-conflict societies through work has recently become one of the main concerns of the United Nations, as demonstrated by the UN Policy. The ILO took the lead in the development of the UN Policy and is one of the key players in its implementation. The adoption of a new ILS based on the Decent Work Agenda would be one of the most appropriate ways of implementing the principles set out in the UN Policy. In addition to enhancing the ILO’s efforts and credibility in the area of peace-building, the revision of Recommendation No. 71 would provide the ILO an opportunity to honour its commitment to economic and social recovery in the aftermath of conflict as part of the wider UN effort.
- 63.** The programmes developed and implemented over the past two decades by the ILO and other partners have yielded important lessons for effective action. Moreover, since 2011, a broad partnership including the ILO, the World Bank group, regional banks, UN agencies and departments, has been preparing the ground for a promising global facility for employment promotion in fragile and conflict situations.²⁵
- 64.** Unlike the UN Policy, Recommendation No. 71 does not specifically envisage the need to take a step-by-step and priority-based approach to the peace-building process. In other words, the eleven principles set out in the Recommendation do not strictly form part of a progressive and coherent approach to crisis management, but instead propose solutions to one-off and isolated problems, without distinguishing between those requiring urgent measures and those necessitating long-term action. In contrast, the first guiding principle of the UN Policy, “be coherent and comprehensive”, calls for the avoidance of “isolated and fragmented responses” and highlights the need for multifaceted and interlinked interventions.

²⁴ Declaration concerning the aims and purposes of the International Labour Organisation, ILC, 26th Session, Philadelphia, 1944.

²⁵ See, for example, the Memorandum of Understanding on Employment for Peace in the Horn of Africa, ILO/IGAD, Addis Ababa, 25 January 2012.

Expected outcome

65. An updated ILS to provide guidance and to promote the reconstruction of post-conflict societies through employment creation and social dialogue would greatly enhance the effectiveness of the ILO's role in peace-building and crisis resolution.

Preparation of the Conference discussion

66. Extensive research and documentation on this subject is already available. The UN Policy and its Guidance Note would form an integral part of the required body of knowledge. Consultations with the UN would also be part of the preparation of the Conference discussion.

B. Gender-based violence in the world of work (standard setting) (Conclusions concerning gender equality at the heart of decent work, adopted by the Conference at its 98th Session (2009))

Background

67. This proposal is made as a follow-up to the conclusions concerning gender equality at the heart of decent work,²⁶ adopted by the Conference in 2009. It is submitted to the Governing Body for the first time. The proposal was presented by the Office in the context of the informal tripartite consultations in September 2012. Strong support was expressed on behalf of the secretariat of the Workers' group with a view to a double discussion by the Conference. The Africa group supported the proposal. IMEC supported a general discussion on the topic. The comments made on behalf of the secretariat of the Employers' group and other governments generally indicated that the question of violence in the world of work should be approached from a broader perspective. In this context, the Governing Body may wish to hold a first discussion of the proposal on the basis of the elements set out below and provide guidance to the Office concerning any follow-up action.

Purpose

68. Gender-based violence at work is manifested in different ways and is a critical and major global challenge to the goal of equality between women and men in the world of work. While the UN system has targeted gender-based violence in general, placing human rights abuses, situations of armed conflict and domestic violence at the centre of the discussion,²⁷ the ILO can bring a fresh contextual enrichment with its mandate covering the world of work. An ILS on gender-based violence in the world of work could build on ILO expertise in assisting groups of workers in vulnerable situations, including both women and men who may be subject to multiple forms of discrimination. The ILO's tripartite membership ensures realism in the content of any new standard on the topic.

²⁶ ILO: *Provisional Record* No. 13, ILC, 98th Session, Geneva, 2009, paras 3, 5, 45, 52(d) and 54 of the conclusions.

²⁷ For example, *Declaration on the Elimination of Violence against Women*, UN General Assembly Res. 48/104, 20 Dec. 1993; the United Nations Secretary-General's "Unite" Campaign to end violence against women; UN Commission on the Status of Women, Priority theme: *Elimination and prevention of all forms of violence against women and girls*, 57th Session, New York, 4–15 Mar. 2013.

**Response to the needs and realities of constituents
in light of the ILO's strategic objectives**

69. Gender-based violence is one of the most prevalent human rights violations around the world and occurs in every country, at every stage of economic development and in all cultural contexts. In addition to the compelling rights-based case, there is also a growing business case for addressing gender-based violence. The costs to enterprises include absenteeism and increased turnover, lower job performance and productivity. For workers, it can lead to emotional stress, loss of motivation, an increase in accidents and disability, or even death. Workplace violence can also result in a negative public image, as well as legal/litigation fees, fines or high settlement costs and rising insurance premiums.
70. Violence at work is a major issue in today's world. It is linked to changes in work organization, the intensity of work, the volatility of incomes and jobs, the gradual shift towards a service economy and the impact of the economic crisis, all of which have an important gender dimension. Effective preventive and remedial action concerning violence at work needs to take into account the different ways in which it affects women and men, who occupy different niches in labour markets and national economies.
71. The 2009 ILC conclusions concerning gender equality at the heart of decent work call for the prohibition of gender-based violence in the workplace and for policies, programmes, legislation and other measures for its prevention. It recalls that the workplace is a suitable location for prevention through education for women and men about the discriminatory nature and the productivity and health impacts of harassment. Gender-based violence should be addressed through social dialogue, including collective bargaining, where applicable, at the enterprise, sectoral or national levels. Governments are called on to develop gender equality indicators that include violence against women in the workplace. The ILO is requested to build the capacity of labour statisticians, improve labour market information systems in areas such as violence against women in the workplace, develop and disseminate tools and undertake research to prevent and eliminate sexual harassment of women and men and of violence against women at work.²⁸
72. The ILO currently responds through technical cooperation to the needs of constituents for support in addressing gender-based violence, sexual and psychological harassment and the spillover from domestic violence. Among others, workers in factories, migrant workers, domestic workers and women in peace recovery programmes have been targeted for support.

Added value

73. The ILO has traditionally addressed the issue of violence against women through the supervision of existing standards on gender equality, and particularly the Discrimination (Employment and Occupation) Convention, 1958 (No. 111). Article 20(3) of the Indigenous and Tribal Peoples Convention, 1989 (No. 169), calls for protection from sexual harassment. Recent standards that refer directly to gender-based violence include the Domestic Workers Convention, 2011 (No. 189),²⁹ and Recommendation No. 200.³⁰

²⁸ ILO: *Provisional Record* No. 13, op. cit., paras 5, 45, 52 and 54 of the conclusions.

²⁹ Article 5.

³⁰ Para. 14(c).

74. While sexual harassment at work is covered by the existing body of ILO standards, training material and current work, gaps remain in the ILO's approach which, if addressed, would complement the existing framework of international and regional human rights standards addressing gender-based violence. It is not only a question of discrimination, but is also related to socio-economic and legal issues, occupational safety and health and education. As such, it needs to be addressed within the framework of a comprehensive approach encompassing the four pillars of the Decent Work Agenda.

Expected outcome

75. An ILO Convention and Recommendation on gender-based violence in the world of work would provide the basis for workers, management and their respective organizations to prevent and remedy gender-based violence in the world of work, as the workplace offers a unique context for addressing the issue. The instruments would provide guidance on well-designed collective agreements, company human resources policies, gender-based violence policies, trade union policies, workplace and support programmes, and for governments to adopt appropriate policy responses and legislative measures. Dialogue mechanisms and collective bargaining agreements should be highlighted as pivotal in this respect. The ILO's regional presence offers the opportunity to monitor and report on the measures introduced to prevent violence against women and girls which have had a positive influence on the labour market participation of both sexes.

Preparation of the Conference discussion

76. The research and advocacy on the subject undertaken by the Office would form a good basis for the preparation of the discussion, which would be based on materials and reports³¹ highlighting the most effective prevention strategies and successful responses, and identifying the gaps and challenges to achieving the most effective responses, with a view to developing a holistic approach to the prevention of gender-based violence, based on the Decent Work Agenda. Consultation with, and comments of, the United Nations, other specialized agencies, and other public international organizations would also be part of the preparation of the Conference discussion.

C. Building a diverse and inclusive world of work (general discussion) (A proposal based on a suggestion made by the secretariat of the Employers' group)

Background

77. The proposal is submitted to the Governing Body for the first time. It arises from a suggestion made in the context of the informal tripartite consultations in September 2012 by the secretariat of the Employers' group, which was of the view that it is a key area to be discussed at the 103rd Session (2014) of the Conference. Support was expressed by a number of governments, including the Africa group. The secretariat of the Workers' group emphasized that the issue should be considered in terms of inclusiveness. In this context, the Governing Body may wish to hold a first discussion on the basis of the elements set out below and provide guidance to the Office concerning any follow-up action.

³¹ See, for example, ILO: *Gender-based violence in the world of work: Overview and selected annotated bibliography* (Geneva, 2011).

Purpose

78. A general discussion on building a diverse and inclusive world of work would examine how to harness effectively the employment potential and benefits of a more diverse workforce. It would review the inclusion of different, harder to reach and marginalized groups in the world of work, based on such grounds as gender, disability, age, race, ethnicity, national extraction, nationality, religion, sexual orientation and HIV and AIDS status, as a means of promoting decent work through more inclusive, welcoming, efficient and competitive workplaces. The discussion would focus on inclusion, equality of opportunity and treatment, and their significant potential for: additional job creation through increased creativity and improved teamwork; the extension of employment to groups that are often excluded; substantial operational and business benefits for workers, employers and their customers; and the promotion of non-discriminatory employment practices.

**Response to the needs and realities of constituents
in light of the ILO's strategic objectives**

79. Factors such as increased globalization, demographic change, migration, multiculturalism, the economic costs of exclusion and the increased attention paid to human rights and CSR are contributing to a broader focus on inclusion and opportunities at the workplace. Countries in all regions and at all stages of development are faced with the reality of ageing populations and unemployed youth. Unemployment rates are higher for both young and older workers. About 15 per cent of the world's population, or one billion people, have some form of disability, which means that persons with disabilities form the world's largest minority group.³² Of these, an estimated 785 million are of working age. Women, who make up half of the population and 40 per cent of the global workforce, are well educated and have increasing expectations of full and meaningful participation in the labour market. Migrant workers, who make up between 8 and 20 per cent of the labour force, are frequently from ethnic or religious minorities and often face higher labour market barriers. Indigenous people are affected by high rates of unemployment and experience difficulty in gaining access to formal employment opportunities. There is a need for prompt and comprehensive responses to these emerging trends to promote and ensure equality of treatment and full, productive and decent employment opportunities for all. Business is harnessing the diversity concept to build on the ILO's standards on equal remuneration, equality of opportunity and treatment, workers' with family responsibilities, the vocational rehabilitation and employment of persons with disabilities and HIV and AIDS. Governments, as well as businesses and trade unions (for example, through collective agreements), make use of strategies and adopt policies to implement non-discriminatory practices and promote equality of opportunity and treatment. Trade unions advocate greater diversity at the workplace on the grounds of non-discrimination and governments, faced with rapid demographic transitions, are encouraging the hiring of a more diverse workforce to address labour shortages. The effective management of diversity and inclusion can help to change attitudes, ensure recognition of discriminatory practices and identify ways of resolving them.

Added value

80. A diverse and more inclusive world of work would result in greater social cohesion and improved welfare and productivity, and would combat the marginalization and exclusion of vulnerable social categories. The tripartite constituents, through social dialogue, are best

³² WHO/World Bank: *World report on disability* (Geneva, 2011).

placed to approach this issue from the social justice, socio-economic and business perspectives. In so doing, they can address the topic in a constructive and positive manner and reach conclusions that promote a more diverse workforce, grounded in economic realities and respect for international standards. In addition, the representatives of governments and of employers' and workers' organizations have an important contribution to make through their experience and knowledge of needs and good practices.

Expected outcome

81. A general discussion in the Conference would offer the opportunity to engage with contemporary thinking and dialogue, and to reach conclusions that would provide a comprehensive framework for viewing these issues. It would also identify concrete guidance and the next steps to be taken by the Office, constituents and within the multilateral system to harness the potential of diversity more effectively.

Preparation of the Conference discussion

82. Preparation for a general discussion would involve the review and analysis of a diverse body of knowledge on the subject from various regions and sectors, and reflecting different dimensions of diversity. The Office has already undertaken considerable research on the application of its equality standards,³³ and it has an extensive database on national laws and policies on non-discrimination and equality. The 2009 conclusions concerning gender equality at the heart of decent work provide a solid reference point for the discussion, and the outcome of the general discussion on employment and social protection in the new demographic context at the 102nd Session (2013) of the Conference should provide a basis for addressing the issue of ageing within a diversity context.
83. Research is currently being carried out on numerous grounds of discrimination, including gender, sexual orientation and nationality. Guidance is also being prepared for employers' and workers' organizations for the development and implementation of workplace policies on ethnic diversity. It is planned to develop training materials and hold regional workshops on gender and diversity for employers during the present biennium and the ILO Global Business and Disability Network has already started to focus on the issue of disability inclusion in the workplace with multinational companies and employers' organizations. However, additional research will be required on the economic and business impact and benefits of cultural diversity and the role of industrial relations in this respect.

D. Two proposals for further consideration in light of the outcome of the discussions of the 102nd Session (2013) of the Conference

84. The two proposals concern: (1) the resolution of labour disputes; and (2) the transition of the world of work towards a low carbon economy. These two proposals, if retained, would follow the approach adopted recently by the Governing Body³⁴ of keeping a slot open on the agenda of the Conference and postponing its decision, in the present case, in light of

³³ See, for example, ILO: *Giving globalization a human face*, General Survey on the fundamental Conventions concerning rights at work, Report III (Part 1B), ILC, 101st Session, Geneva, 2012; *Fundamental principles and rights at work: From commitment to action*, Report VI, ILC, 101st Session, Geneva, 2012; and the Global Reports on equality at work under the follow-up to the ILO Declaration on Fundamental Principles and Rights at Work of 2003, 2007 and 2011.

³⁴ See Part III of this document (paras 91–97).

the outcome of the discussions at the 102nd Session (2013) of the Conference. The Governing Body is invited to consider the two proposals and to provide guidance to the Office for the preparation of the 102nd Session (2013) of the Conference concerning the recurrent discussion on social dialogue and the general discussion on sustainable development, decent work and green jobs.

A proposal regarding the resolution of labour disputes *(Coordination with the outcome of the recurrent discussion on social dialogue)*

- 85.** Three related suggestions were tabled in the context of the informal tripartite consultations held in September 2012. The first suggestion was submitted by the secretariat of the Employers' group with a view to a general discussion on "Dispute settlement: Promoting effective dispute settlement mechanisms". The second was put forward by the secretariat of the Workers' group with a view to standard setting on guiding principles on labour dispute resolution for the effective and swift settlement of labour disputes, in light of the 2012 recurrent discussion on fundamental principles and right at work. It was also indicated that the issue could be considered in light of the outcome of the recurrent discussion on social dialogue in 2013. The third suggestion was already pending before the Governing Body and concerned a proposed item to promote sound industrial relations through the prevention and resolution of labour disputes, with a view to a general discussion to follow up the conclusions of the Cartier Working Party.³⁵ The Office suggested that this topic might first be addressed within the framework of the 2013 recurrent discussion on social dialogue. This suggestion was supported by IMEC and a number of other governments. It was also suggested that the three different but similar suggestions should be reformulated and merged.
- 86.** It is clear that the issue has generated significant interest among ILO constituents. Procedures and mechanisms for the prevention and the effective resolution of labour disputes (including labour courts, conciliation, mediation and arbitration machinery) are necessary for the realization of social justice, stable and productive industrial relations and well-functioning labour markets.
- 87.** There would appear to be a meeting of the minds to further examine the proposal with a view to its possible inclusion on the Conference agenda in light of the outcome of the recurrent discussion on social dialogue in 2013. There is growing evidence of significant innovations at the national level, including the creation and strengthening of specialized labour courts, the modernization of their proceedings, the integration of other dispute resolution processes (e.g. conciliation and mediation) and the development of new approaches by workers and employers through collective bargaining. The report for the 2013 recurrent discussion on social dialogue provides an important opportunity to review trends and innovations and identify policies and practices that support the effective prevention and resolution of labour disputes. These include ensuring access to and the simplicity of processes, the importance of expeditious and fair processes, cost effectiveness and competency to address specialized labour disputes. Discussion of this proposal by the Governing Body could pave the way for substantive consideration of the matter during the recurrent discussion and the provision of guidance on whether further consideration should be given to elaborating guiding principles for the effective resolution of labour disputes.

³⁵ GB.313/INS/2, appendix, paras 76–86.

A proposal for a Convention (supplemented by a Recommendation) on the transition of the world of work towards a low carbon economy (*Coordination with the outcome of the general discussion on sustainable development, decent work and green jobs*)

88. The suggestion was made by the secretariat of the Workers' group in the context of the informal tripartite consultations in September 2012, with the indication that it should be further considered in light of the outcome of the general discussion on sustainable development, decent work and green jobs at the 102nd Session (2013) of the Conference. It was emphasized that a possible new ILO instrument would be timely in providing guidance to governments, employers' and workers' organizations on how to strengthen environmental protection by consolidating the social and economic measures needed to smooth the transition towards sustainable development. The instrument would further elaborate the policies required to ensure that just transition arrangements are put in place in the world of work and would identify ILS that can guide action on these different policies.
89. The report prepared by the Office for the general discussion in 2013 will address the question of the transition to a sustainable, low carbon and green economy. It will explore the opportunities and potential challenges and risks for employment, occupational safety and health, working conditions, social equity and labour rights. The policies, institutional arrangements and practices that are most effective in managing risks and challenges for enterprises and workers will be highlighted. The report will suggest measures to help build the resilience of enterprises and ensure a just transition for workers. The report will also examine the relevance and potential of the effective application of existing ILO Conventions and Recommendations in support of national sustainable development strategies. They will include the eight fundamental Conventions, the four governance Conventions, the Social Protection Floors Recommendation, 2012 (No. 202), and a range of instruments on occupational safety and health. It will also take into account the Conference conclusions concerning the promotion of sustainable enterprises³⁶ and the conclusions on skills for improved productivity, employment growth and development.³⁷ Ways of making better use of existing ILO instruments within a single policy framework will be explored in order to achieve better outcomes in terms of opportunities for decent work, inclusion and equality in the transition to a low-carbon and green economy. The report and the outcome of the general discussion could provide guidance on how this could be taken forward by the Conference, including a review of the existing body of ILS with a view to identifying whether there is a need to supplement them with a new instrument. Like the possible new instrument on the informal economy, the ILO would be in a better position to make a contribution to the post-2015 development framework, and a possible new set of SDGs, indicators and targets in the wake of the Rio +20 Summit. Due account will have to be taken of developments in this respect.

³⁶ ILO, *Provisional Record* No. 15, ILC, 96th Session, Geneva, 2007, p. 95.

³⁷ ILO, *Provisional Record* No. 16, ILC, 97th Session, Geneva, 2008, p. 46.

Draft decision

90. With regard to the agenda of future sessions of the Conference, the Governing Body:

(a) is invited to provide guidance on:

(i) the inclusion on the agenda of the 104th Session (2015) of the Conference, of the revision of the Employment (Transition from War to Peace) Recommendation, 1944 (No. 71) (standard setting), noting its relevance to the recurrent discussion on employment in 2014;

(ii) any follow-up action required concerning: a proposal for a standard-setting item on gender-based violence in the world of work; and an item on building a diverse and inclusive world of work (general discussion); and

(b) postpones consideration of proposals on labour dispute resolution and on a Convention (supplemented by a Recommendation) on the transition of the world of work towards a low-carbon economy pending the outcome of the related discussions at the 102nd Session (2013) of the Conference.

III. Update on the process of setting the agenda of the Conference

Consultations on the process of setting the Conference agenda

91. A consultation process on the setting of the Conference agenda was launched at the 312th Session (November 2011) of the Governing Body.³⁸ Over the past year, the tripartite consultative group³⁹ has held a series of consultations on the question of the Conference agenda, either in specific consultations, or in the context of discussions concerning the reform of the Conference. The discussions have covered both the selection of items for the agenda of the 103rd Session (2014) of the Conference and the overall issue of the process of setting the Conference agenda.

92. Following the informal tripartite consultations held in February 2012,⁴⁰ the issue of the process of setting the Conference agenda was discussed during the consultations held in May 2012. Further exchanges of views occurred during the consultations held on 20 September 2012. The tripartite consultative group took note of these discussions during the informal tripartite consultations held on 15 October concerning the reform of the Conference.

³⁸ GB.312/PV, para. 15; GB.312/WP/GBC/1.

³⁹ See paragraph 19 of the Introductory Note of the Compendium of rules applicable to the Governing Body of the International Labour Office.

⁴⁰ GB.313/INS/2, paras 9–12.

Recent evolutions in the practice of setting the Conference agenda

- 93.** At the outset, it may be observed that sustainable improvements in the process of setting the Conference agenda can only be achieved if the corresponding changes take into account and are in line with the outcome of the discussions on the reform of the Conference. A comprehensive approach should also be adopted to the institutional and procedural implications of the setting of the Conference agenda, backed up by consensus on the ILO standards policy, including the Standards Review Mechanism.
- 94.** The scheme of recurrent discussions under the ILO Declaration on Social Justice for a Fair Globalization has already, as intended, contributed to streamlining the process of setting the Conference agenda. The task of setting the Conference agenda has been assisted by the inclusion of a recurrent discussion on the agenda of each session of the Conference corresponding to the current seven-year cycle of such discussions. This has also helped in the planning of the preparatory work for these Conference discussions. As recalled during the consultations held in September 2012, the outcome of the recurrent discussions may also facilitate the identification of items for future sessions of the Conference. This has been the case for the recurrent discussion on social protection (social security). Proposals to follow up the conclusions of the recurrent discussion on fundamental principles and rights at work and the conclusions of the recurrent discussion on employment are set out above. The consultations on the reform of the Conference in October 2012 provided support for consideration to be given to the implementation of measures to realize more fully the specific purpose of the recurrent discussions under the ILO Declaration on Social Justice for a Fair Globalization.
- 95.** The objective of the tripartite informal consultations on the setting of the Conference agenda is to facilitate discussion in the Governing Body and enhance the efficiency of the process by providing structured and timely guidance to the Office for the preparation of the respective discussions. However, it is clear that they do not replace the formal discussions and decisions by the Governing Body, which remains responsible for deciding on the items to be selected for the Conference agenda. The modalities and frequency of these informal tripartite consultations may have to be further examined to ensure that they are conducted in an effective, transparent and timely manner.
- 96.** Steps are also being taken to enhance the role played by the Office. Tripartite informal consultations ensure that the Office is responsive to the suggestions made by constituents. At the same time, it is necessary to enhance Office-wide coherence, coordination and collaboration, both in the selection of proposed items for examination by the Governing Body and in the preparation of Conference discussions of the items selected. Clearly, the Conference agenda is an area in which the Office has to work together more coherently. A review of the related internal arrangements and processes is under way, and will be carried out in line with the current Office reforms.
- 97.** Finally, the practice of the Governing Body regarding the timing of its decisions has further evolved. It was proposed during the informal tripartite consultations in February 2012 and during the 313th Session (March 2012) of the Governing Body that, as a general rule, a slot should be kept open, in the relevant Conference agenda, until the June session of the Governing Body.⁴¹ This would allow for the selection of an item as a follow-up to the work of one of the technical committees of the Conference, including the committee on the recurrent discussion, or of a topical issue requiring urgent examination. The Governing

⁴¹ GB.313/INS/2, para. 9.

Body has already followed this approach on two occasions.⁴² However, it was also recognized that the timing of final decisions on agenda items had to take into account not only the advantages of addressing issues of topical importance, but also the need for adequate preparation time, particularly for standard-setting items.

Draft decision

98. *With regard to the process of setting the Conference agenda, the Governing Body requests the Office to:*

- (a) make the appropriate arrangements to continue the informal tripartite consultations regarding both the process of setting the Conference agenda and the selection of items for the agenda of future sessions of the Conference, taking duly into account the comments and proposals made at its 316th Session (November 2012);***
- (b) prepare a document on the process of setting the Conference agenda for consideration at its 317th Session (March 2013).***

⁴² At its 310th Session (March 2011), the Governing Body decided that the second technical item of the agenda of the 101st Session (2012) of the Conference would be selected by the 311th Session (June 2011) of the Governing Body following the recurrent discussion on social protection at the 100th Session (2011) of the Conference. This approach enabled the Governing Body to place a standard-setting item on the agenda of the 101st Session (2012) of the Conference. Moreover, as indicated above, a slot on the agenda of the 103rd Session (2014) has been left open to allow for the selection of an item to follow up the discussions at the 101st Session (2012).