



## Governing Body

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**Policy Development Section**  
*Employment and Social Protection Segment*

**POL**

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### FIRST ITEM ON THE AGENDA

## Follow-up discussion on the voluntary peer review mechanisms of national employment policies

#### Purpose of the document

The document provides detailed information on options for a voluntary peer review mechanism of national employment policies as requested by the Governing Body at its 328th Session, in October 2016.

The Governing Body is invited to provide guidance and to take a decision on which of the four options proposed by the International Labour Office should be implemented (see the draft decision in paragraph 32).

**Relevant strategic objective:** Employment.

**Main relevant outcome/cross-cutting policy driver:** Outcome 1: More and better jobs for inclusive growth and improved youth employment prospects.

**Policy implications:** Implementation of peer review mechanisms.

**Legal implications:** None.

**Financial implications:** Potentially significant, depending on the decision made.

**Follow-up action required:** Yes.

**Author unit:** Employment Policy Department (EMPLOYMENT).

**Related documents:** GB.328/POL/4; resolution concerning the second recurrent discussion on employment, International Labour Conference, 103rd Session, Geneva, 2014.



## Introduction

1. In October 2016, the Governing Body discussed a set of proposals for a voluntary peer review mechanism of employment policies with the objective of promoting knowledge sharing and mutual learning on good practice among Members of the Organization.<sup>1</sup> The proposals had been prepared pursuant to a request in the resolution concerning the second recurrent discussion on employment adopted at the 103rd Session of the International Labour Conference, in June 2014,<sup>2</sup> which was reiterated at the 326th Session of the Governing Body, in March 2016.
2. In its proposals, the Office analysed eight policy peer review mechanisms that were currently operational or had been implemented in the recent past,<sup>3</sup> and on that basis presented three options for a voluntary peer review mechanism of national employment policies. The three options differed in their geographical coverage, option 1 being organized at the global level, option 2 at the regional level, and option 3 at the subregional level. They also differed in the number of countries that would participate in each round and in the periodicity of occurrence: every year (options 2 and 3), every two years or every four years (option 1). All three options were voluntary, were facilitated by the Office and were intended to review existing policies with reference to the main elements of the comprehensive employment policy framework adopted in the Conference resolution concerning the second recurrent discussion on employment.
3. All three options envisaged an in-depth review process before the results could be discussed in a global, regional or subregional forum, including a self-assessment report to be prepared by the country under review, a subsequent review visit to be conducted by the reviewing country and a workshop to be convened to bring the two countries together with the International Labour Organization (ILO) to discuss the findings of the exercise. On the basis of the self-assessment report, the review visit and the workshop, a final joint report would be prepared by the two countries, with ILO support, for submission to the global/regional/subregional forum, depending on the option selected. This process would be fully tripartite. Effective mutual learning and good practice would be exchanged throughout the process since government officials, trade union representatives and employers' representatives would interact with their counterparts in the partner country and learn directly from each other.

<sup>1</sup> ILO: *Voluntary peer-review mechanisms of national employment policies*, Governing Body, 328th Session, Geneva, 2016, [GB.328/POL/4](#).

<sup>2</sup> ILO: *Resolution concerning the second recurrent discussion on employment*, International Labour Conference, 103rd Session, Geneva, 2014.

<sup>3</sup> The eight mechanisms are: the Organisation for Economic Co-operation and Development–Development Assistance Committee peer reviews; the World Trade Organization (WTO) trade policy review mechanism; the United Nations Conference on Trade and Development peer review mechanism for competition law and policy; the European employment strategy “Mutual Learning Programme”; the African peer review mechanism; the ILO review of the implementation of the Global Employment Agenda; the ILO–Council of Europe “Bucharest Process” for European Union accession countries (South-Eastern Europe); and the ILO youth employment peer reviews in Commonwealth of Independent States (CIS) countries.

## I. Taking stock of the Governing Body's discussion in October 2016

4. At the October 2016 discussion, there was a broad consensus that:
  - (a) the primary objective of the voluntary national employment policy peer review mechanism should be to foster mutual learning and exchange of good practice;
  - (b) the peer review mechanism should be based on the conclusions of the recurrent item discussion at the 2014 International Labour Conference, at which the main elements of the comprehensive employment policy framework had been endorsed and adopted; and
  - (c) the peer review mechanism should be tripartite and facilitated by the Office.
5. There was a consensus that governments were more willing to volunteer and partner with peer reviewing countries when they shared common characteristics and similar circumstances or affinities, such as belonging to a regional or subregional grouping.
6. The Office had drawn attention to the fact that a voluntary peer review mechanism had cost implications. It had suggested that the options be ambitious in order to generate value for the participants: in addition to an exchange of information on what worked and what did not, the proposed mechanisms should trigger policy and institutional reform, identify the capacity-building needs of governments and social partners, develop proposals for technical assistance – including through South–South and triangular cooperation – and facilitate the mobilization of national resources for the implementation of employment policy. The peer reviews would also contribute to the further dissemination of knowledge by the ILO on good practice in employment policies and to the further refinement of ILO tools and technical advice in response to specific needs.
7. In its decision at its 328th Session, the Governing Body requested the Director-General to prepare a more detailed proposal for a peer review mechanism of employment policies, based on the guidance provided during the discussion and taking into account the outcomes of the forthcoming discussion, to be held in March 2018, on the follow-up to the evaluation of the impact of the ILO Declaration on Social Justice for a Fair Globalization (Social Justice Declaration).
8. In the March 2017 discussion, the Governing Body requested the Director-General to implement the proposed programme of work to give effect to the evaluation of the impact of the Social Justice Declaration. The adopted programme of work includes the preparation of country policy studies to promote tripartite sharing of experiences and good practice. The March 2017 Governing Body concluded that such studies – which may be in the context of voluntary peer reviews should they be introduced by the Governing Body at a later stage – would contribute to future recurrent discussions of each of the four strategic objectives.<sup>4</sup>

<sup>4</sup> The implementation of the employment policy peer review mechanism – if adopted by the Governing Body and in whatever configuration may be decided – should also take into consideration possible synergies with the country-level partnerships for policy coherence and decent work discussed by the Governing Body at its 331st Session, in 2017; see, in particular, [GB.331/INS/9](#), paras 21–24.

## II. Detailed proposals for a voluntary peer review mechanism

9. In view of the discussion in October 2016, four options (1.A, 1.B, 2.A and 2.B) are set out below for a peer review mechanism that emphasizes a tripartite approach and is based on the three principles previously agreed to as recalled in paragraph 4 above as well as informal consultations with constituents.
10. The options presented differ as to geographical scope and the nature of the review process, as well as in their costs. Options 1.A and 1.B envisage a peer review mechanism with a *global scope*, while options 2.A and 2.B envisage a peer review mechanism with a *subregional scope*. Options 1.A and 2.A describe a *full peer review process*, while options 1.B and 2.B describe a *partial peer review process*. In a full peer review, a reviewing country pairs with a country under review and undertakes study visits in order to produce a peer assessment. Mutual learning and experience sharing thus happen both at this early stage and subsequently during a tripartite meeting. In a partial peer review, the country does a self-assessment, in cooperation with the Office; the peer learning and exchange of information takes place ex post during a tripartite workshop. Full peer reviews would have the same structure whether option 1 (global) or 2 (subregional) is chosen. And similarly, partial peer reviews would have the same structure independently of the geographical option chosen. Details of these models are provided in subsequent paragraphs.<sup>5</sup>
11. Volunteer countries would decide on a case-by-case basis whether it is opportune to link their employment policy peer review to the Sustainable Development Goals review process.<sup>6</sup>
12. The opportunity to have a peer review mechanism at the regional level was not considered because there was a consensus at the October 2016 discussion that the Regional Meetings were not an appropriate forum to host such a mechanism.

### Option 1. Global peer review mechanism

13. Under this set of options, any member country could volunteer, either to be a country under review or to act as a reviewing country. There would be no predetermined geographical coverage for the exercise.

<sup>5</sup> The cost of the peer review mechanism to the Office would depend on the options chosen. Option 1.A and 2.A (full peer review) would broadly cost the Office between US\$660,000 and \$730,000 per biennium of which about 60 per cent accounts for staff cost. In addition, there would be costs to the volunteer countries in producing their assessment reports. Options 1.B and 2.B (partial peer review) would cost the Office between \$720,000 and \$820,000 per biennium of which about 70 per cent accounts for staff cost. These broad estimates include necessary consultant fees, travel costs, site visits, meetings for knowledge sharing and mutual learning, global/subregional symposiums, report writing, and the translation and printing of the reports.

<sup>6</sup> As part of its follow-up and review mechanisms, the 2030 Agenda for Sustainable Development encourages member States to “conduct regular and inclusive reviews of progress at the national and subnational levels, which are country-led and country-driven” (see United Nations: [General Assembly resolution A/RES/70/1](#), para. 79). These national reviews are expected to serve as a basis for the regular reviews by the High-level Political Forum, meeting under the auspices of the Economic and Social Council; 116 countries have already undertaken voluntary national reviews. For more information, see: <https://sustainabledevelopment.un.org/vnrs/>.

**Option 1.A. Full peer review at global level**

14. In this option, one country would review another country that had volunteered for peer review. For this option to work, a system through which countries could volunteer would need to be established. Volunteers could then express interest in pairing with a particular country. In their role as countries under review, they would collect the data, produce a national background report and identify and assess good practice in one or more specific employment policy areas. In their role as reviewing countries, they would carry out desk studies and on-site visits and prepare a report with their comments and suggestions for the country under review. To keep the mechanism manageable, a maximum of ten countries (five countries under review and five reviewing countries) could volunteer under each round.
15. The following steps would be followed:
- (a) **Inception:** The two countries would agree on the scope and elements of the review.
  - (b) **Information gathering:** The country under review would produce a range of data and documents to support the assessment.
  - (c) **Analysis:** The reviewing country would assess the information provided, carry out a study visit as a full tripartite delegation and produce a review report.
  - (d) **Global symposium:** All countries under review, all the reviewing countries and a number of experts meet to discuss the findings of the reviews. Any other interested country would be able to participate.
16. The Office would facilitate this process and share its technical expertise. Participants in the peer review would include high-ranking officials and technical experts representing ministries of labour, relevant government agencies and the social partners.

**Option 1.B. Partial peer review at global level**

17. In this option:
- (a) The country under review would produce a self-assessment report. The report would follow a common outline provided by the Office that all volunteer countries would be invited to follow.
  - (b) The Office would complement the information presented by the country based on missions by specialists to the country concerned and finalize the national report.
  - (c) The report would be discussed and validated at a national tripartite conference.
  - (d) The validated national report would provide the basis for the discussion at a global symposium convening all countries that have undergone the process.
18. To keep the mechanism manageable, a maximum of five countries could volunteer under each round.

**Elements common to options 1.A and 1.B**

19. In both options 1.A and 1.B, once all the reviews have been conducted (maximum five), the findings would be summarized in a global synthesis report prepared by the Office. This synthesis would be presented during a global tripartite symposium, in the presence of the

tripartite delegations of the countries that had participated in the process, in order to allow for sharing of experiences and mutual learning.

20. The results of the discussions at the global symposium would feed into the report for the recurrent item discussion on employment. For this to happen, the symposium would have to be held at least one year or possibly as much as 18 months before the recurrent item discussion on employment by the International Labour Conference. Linking the voluntary peer review mechanism of national employment policies to recurrent Conference discussions on employment would offer two advantages: it would contribute to the institutional reporting on the implementation of the Social Justice Declaration and at the same time contribute new and practical information to the preparation of the report for the recurrent discussion on employment.
21. A peer review round would therefore last about four years – the time between two recurrent item discussions on employment.
22. For both options 1.A and 1.B, a final report on the outcomes of the global tripartite symposium would be prepared by the Office for the consideration of the Governing Body under the Policy Development Section.

## Option 2. Subregional peer review mechanism

23. Under this set of options, the reviews would be carried out across volunteer countries in a given subregion.

### Option 2.A. Full peer review at subregional level

24. This model of a voluntary peer review comprises the following stages: <sup>7</sup>
  - (a) **Inception:** The scope of the review would be defined, in particular the analytical framework, the criteria for assessment and the roles of different parties.
  - (b) **Information gathering:** The country under review would produce a range of data and documents to support the assessment, guided by the analytical framework.
  - (c) **Analysis:** The reviewing country would evaluate the performance of the country under review, and produce a review report on the basis of all documents provided and additional research, as needed, including the findings of study visits.
  - (d) **Peer review workshop:** The country under review, the reviewing country and other peer countries would meet to discuss the findings of the review and its policy recommendations.
25. Participants in the peer review would include high-ranking officials and technical experts representing ministries of labour, relevant government agencies and the social partners. If

<sup>7</sup> The template for this option follows the ILO peer review system implemented under a technical cooperation project in the CIS over the period 2014–17 and that of the “Bucharest Process” implemented over the period 2003–07. See ILO: [Toolkit for conducting voluntary peer reviews on youth employment policies](#) (Geneva, 2017).

deemed useful, experts from outside the subregion could be invited to provide additional peer learning and exchange of information.<sup>8</sup>

26. Countries would volunteer for participation in the peer reviews. In their role as countries under review, they would collect the data, produce a national background report and identify and assess good practice in one or more specific employment policy areas. In their role as reviewing countries, they would carry out desk studies and on-site visits and prepare a report with their comments and suggestions for the country under review. The countries would then discuss the findings, recommendations and good practice at a peer review workshop.
27. The ILO would serve as a facilitator and share its technical expertise. Following the peer review workshops, the Office would prepare a synthesis report that would be submitted to the ILO Governing Body and discussed in the Policy Development Section.
28. All countries in the subregion could volunteer either as a country under review or as a reviewing country. However, to keep the mechanism manageable, depending on the number of countries in the subregion, a maximum number of volunteers would be fixed. For a period of two years, a maximum of four countries could volunteer. If the subregion were large, the cycle could be extended to four years and the number of countries participating to eight. Each country could be a country under review and a reviewing country. Once the cycle is finished, another subregion would be selected and a new cycle would start.

### ***Option 2.B. Partial peer review at subregional level***

29. This model comprises the following elements:<sup>9</sup>
  - (a) Each review would be based on a national report produced by the country under review. The report would follow a common outline for national background reports provided by the Office and that all countries in the subregion would be invited to follow.
  - (b) The Office would then complement the information presented in the national report, as requested, and finalize the report. In order to do this, a policy review mission might be undertaken to the country under review by a team of ILO specialists.
  - (c) The employment policy review report would be discussed and validated at a national tripartite conference.

<sup>8</sup> In the case of the CIS example, a mutual learning exercise involved exchange of practice with some BRICS countries (Brazil, China and South Africa), which participated in one of the peer review workshops.

<sup>9</sup> This model is based on the model provided in the “Bucharest Process” for Stability Pact countries (South-Eastern Europe). The Bucharest Declaration (South-East Europe Conference on Employment (SEE-EC) Bucharest, 30–31 October 2003: Improving Employment in South-Eastern Europe) called for regional cooperation in addressing the serious employment challenges faced by the former Stability Pact (now Regional Cooperation Council) countries. The ILO and the Council of Europe were asked to give guidance and support to this effort by reviewing national employment policies, in close cooperation with the social partners and labour market institutions, and by providing policy recommendations and assisting with their implementation. The Sofia Conclusions, adopted on 21 October 2005 at the Second Ministerial Conference on Employment in South-Eastern Europe (see Erhard Busek and Björn Kühne: *From stabilisation to integration: The Stability Pact for South Eastern Europe* (Vienna, Böhlau Verlag Wien, 2010), Vol. 1, p. 389), endorsed the process and placed even more emphasis on policy coherence and social dialogue.



- (d) The validated national report would provide the basis for the peer review discussion that would take place during a subregional tripartite peer review workshop. The country under review and other peer countries would meet to discuss and substantiate the findings of the review.
- 30. Countries would volunteer for participation in peer reviews, focus on topics of their specific interest and learn from each other. A maximum of two countries could undergo the review process in any given calendar year. Peer-review workshops would be organized every two years and therefore a maximum of four countries at a time could be reviewed.
- 31. The ILO would serve as a facilitator and share its technical expertise. Following the peer review workshops, the Office would prepare a synthesis report that would be submitted to the Governing Body and discussed in the Policy Development Section.

## **Draft decision**

- 32. *The Governing Body is invited to take a decision on whether a peer review mechanism of national employment policies should be implemented and if so, which one of the four options presented above, 1.A, 1.B, 2.A or 2.B, should be implemented.*