



International Organisation of Employers
Organisation Internationale des Employeurs
Organización Internacional de Empleadores

ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy

March 2014



What is the ILO Tripartite Declaration of Principles concerning Multinational Enterprises on Social Policy?

- The ILO MNE Declaration provides guidance to governments, employers' and workers' organisations, multinational enterprises and other national enterprises, in the areas of employment, training, conditions of work and life and industrial relations.
- The ILO MNE Declaration was negotiated and adopted by governments, workers' and employers' organisations, and is therefore based on broad consensus.
- In contrast with the OECD MNE Guidelines, the ILO MNE Declaration targets companies and governments in all countries and is globally supported by governments and social partners.



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- Unlike the OECD Guidelines, it only deals with social policy themes.
- ILO MNE Declaration is not well known. On the other hand it has to be recognised that the provisions of the ILO Tripartite MNE Declaration are (partly) included in the OECD Guidelines and ISO 26000. Thus, the impact of the Declaration might be higher than the low number indicates at first sight.
- 2011 CSR-Communication of the EU Commission invites “*All European-based multinational enterprises to make a commitment by 2014 to respect the ILO Tri-partite Declaration of Principles Concerning Multinational Enterprises and Social Policy.*”



Content of the ILO MNE Declaration

- The Declaration sets out principles in the following areas:
 - Employment, including:
 - increasing employment possibilities and standards
 - promoting equality of opportunity and equal treatment in employment
 - Training, including:
 - appropriate training for employees in the host country / opportunities for local workers to
 - extend their experience in suitable areas, e.g. labour relations, within the group as a whole



(cont.)

- Working and living conditions, including:
 - no pay, benefits or working conditions which are less favourable than those enjoyed by comparable workers in the host country
 - adequate wages for workers and their families to meet their basic needs
 - effective abolition of child labour
 - instruction about particular dangers and the corresponding safety measures when new products and/or processes are introduced

- Labour relations, including:
 - freedom for workers to organise and associate
 - right for workers to make complaints without suffering disadvantages.



Challenging wording in the ILO MNE Declaration

- The ILO MNE Declaration demands that MNEs should provide wages and benefits “not less favourable” than those offered by “comparable employers in the country concerned.” If no comparable employers exist, companies should “provide the best possible wages, benefits and conditions of work, within the framework of government policies. These should be related to the economic position of the enterprise, but **should be at least adequate to satisfy basic needs of the workers and their families.**”
- Important Link to the OECD Guidelines for Multinational Enterprises  **Danger of NCP Case!**



New Developments with regards to the ILO MNE Declaration

- The ILO Governing Body approved a promotional strategy for the ILO MNE declaration as well as a Follow-Up Survey in March 2014 :
 - The ILO will establish focal points for the ILO MNE declaration in the national and regional ILO Offices.
 - An E-Learning Tool has been developed and can be accessed through the ILO Website.
 - There will be a short survey with governments and social partners in connection with the ILO regional meetings every four years on the implementation of the ILO MNE Declaration.



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ILO Helpdesk for Business on International Labour Standards

The ILO Helpdesk is a free and confidential service that can help companies align their operations with international labour standards.

Contact: assistance@ilo.org or +41 22 799 62 64





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**Thank you very much
for your attention!**