

Editorial

Multinational enterprises are considered by some groups today as the responsible body or the visible face of the business community as far as the social dimension of globalisation is concerned. This is not only the case with international sectoral trade unions and their desire to formalise framework agreements with MNEs, but also with regard to the United Nations and the Global Compact as well as the ILO in some of its programmes.

There are a number of consequences of this new trend, which in many cases is just as applicable at the national level. Firstly, enterprises should not be seen to assume, nor can they take on, the social and legal responsibilities of governments. Governments should not abrogate their responsibilities either through inaction or conscious acts. Secondly, these enterprises should not replace or pretend to replace employers' organisations as the voice of the business community. The views of one company cannot and should not be assumed by anyone to be the views of the whole business community. Thirdly, such a development may affect the institutional dialogue between employers' and workers' organisations.

The business community should reflect on how to respond to this development. Today, more and more groups are promoting themselves as the "voice" of business, a fact reinforced at this year's World Economic Forum. The debates on globalisation are showing that the business community needs to be sending a strong and consistent message to society if it is to be heard and taken seriously.

To address this, the IOE will look to explore ways in which it can unite efforts and enhance co-ordination with other legitimate business organisations, thereby strengthening the international business voice and providing a credible and strong response to other groups. Similarly the IOE needs to explore areas of commonality with the international workers' organisations as a means of better focussing the globalisation and other relevant debates by targeting areas of agreement rather than disagreement.

At national level similar responses may be needed to ensure that the true voice of the business community is retained by its most representative body...the national employers' organisation.

Antonio Peñalosa
Secretary-General

Table of Contents

❖ International Labour Organization	2
❖ United Nations Agencies News	4
❖ IOE Activities	5
❖ IOE Members	7

Distribute IOE.net to:

- President
- Chief Executive
- Directors
- Board members
- Internal Distribution
- Library

Contact: If you have any suggestions or contribution to make, please send them to us by fax (4122) 798 88 62 or e-mail us at ioe@ioe-emp.org

<p>International Labour Organization</p>	
<p>The 283rd session of the ILO Governing Body will be held in Geneva (7 to 22 March). In addition to the normal work of the various committees, the following key issues will be examined:</p> <ul style="list-style-type: none"> ➤ The Working Party on the Social Dimension of Globalisation will have an extended sitting to discuss the composition and terms of reference for the high level World Commission, which is due to begin its work shortly of examining the social aspects of Globalisation. ➤ The Global Employment Agenda, refined by the outcome of the Global Employment Forum held last November, will come before the Employment Committee for debate and further elaboration. ➤ The Finance Committee will examine the first proper report of the performance of the ILO against the targets and indicators established with the adoption of a strategic budget by the Organization. In addition, the size of the expected surplus from the last biennium will be discussed. <p>http://www.ilo.org</p>	<p>283rd Session of the ILO Governing Body</p>
<p>An ILO tripartite meeting on civil aviation entitled “Social and safety consequences of the crisis subsequent to 11 September 2001” was held at the end of January. The meeting recognised, importantly from an employers’ perspective, the following:</p> <ul style="list-style-type: none"> ➤ Many of the measures such as recruitment freezes, voluntary early retirements, reduced working hours etc, which were implemented in the wake of September 11, are only of a temporary nature. ➤ The unavailability of war risk insurance came close to forcing a complete shutdown of the world’s aviation system in late September 2001. Governments are urged to extend all stop-gap measures to allow sufficient time for the development of permanent solutions to the war risk insurance problem. ➤ The role of governments in addressing security issues and costs is crucial, as the implementation of additional security initiatives will put the civil aviation industry under considerable additional cost pressure, particularly in developing countries. <p>The employers concluded that a successful approach to restoring stability and increasing traffic in the industry must follow a ‘Triple C Approach’ that encompasses – (customer) Confidence, (customer) Convenience and (reduced) Costs.</p> <p>Despite some attempts to divert attention away from the mandate of the meeting to include items that were not on the agenda, consensus was finally reached on the ‘Final Chairperson’s Summary’ which will be available shortly on the ILO website.</p>	<p>ILO Tripartite Meeting on Civil Aviation</p>

<p>At the end of the Governing Body a special two day tripartite forum on multinational enterprises will be held (25-26 March), as a promotional mechanism for the ILO Declaration on multinational enterprises. In parallel sessions the following key areas will be discussed: Vocational training needs in a changing environment, promoting security of employment in the context of flexibility, restructuring and outsourcing, fostering effective new means of consultation, negotiation and bargaining and creating the infrastructure for decent work.</p> <p>http://www.ilo.org/public/english/standards/reim/gb/docs/gb283/pdf/mne-1.pdf</p>	<p>Tripartite Forum on MNEs</p>
<p>There will be a tripartite meeting on the promotion of good industrial relations in oil and gas production and oil refining from 25th February to 1st March. The key areas for discussion will centre around the following points:</p> <ul style="list-style-type: none"> - What are the IR concerns specific to this sector - How effective IR policies should be promoted in joint ventures, mergers and acquisitions - How can social dialogue be improved - What are the training needs of the sector. 	<p>Oil & Gas sectoral meeting</p>
<p>Some thirty-five Codes of Practice on safety and health – covering issues such as safety in the use of chemicals at work, technical and ethical guidelines for workers’ health surveillance, the prevention of major industrial accidents and safety and health in coal mines – are now available, in English, French and Spanish, on the ILO’s Website at :</p> <p>http://www.ilo.org/public/english/protection/safework/cops/english/index.htm</p> <p><i>*ILO Codes of Practice, which are not legally binding instruments, contain practical recommendations intended for all those with a responsibility for occupational safety and health, and aim to serve as practical guides.</i></p>	<p>Codes of Practice on safety and health</p>
<p>IPEC, in collaboration with the Chocolate Manufacturers’ Association and the World Cocoa Foundation, is developing an independent system to identify and address child labour practices in the industry. The preliminary stage of this process will entail a comprehensive survey of the industry, which will be rolled out in the coming months.</p> <p>The ILO also launched its "Red Card to Child Labour" campaign to coincide with the start of the 2002 African Cup of Nations. The new campaign against the use of child labour is symbolized by the red card handed out by football referees. The campaign is designed to raise awareness of the issue of child labour in the soccer ball industry and to support IPEC in its efforts to eliminate it. Following the launch of the "Red Card" campaign in Africa, the ILO plans to pursue the initiative in Latin America, Asia and Europe.</p> <p>For more information please visit the following site:</p> <p>http://www.ilo.org/public/english/standards/ipec/</p>	<p>Child Labour</p>

<p>At the World Economic Forum held in New York, the current Director General of the World Trade Organization, Mike Moore, backed long standing calls to give the ILO observer status at the WTO. He announced that a series of seminars this year will include dialogue with the ILO, with a view to building shared understandings. He was speaking in a forum session entitled “After Doha: now comes the hard part”.</p>	<p>Possible role for ILO at the WTO</p>
<p style="text-align: center;">United Nations Agencies and other International Organizations News</p>	
<p>The working group of the Initiative for Social Cohesion (ISC) met in Paris on 21 and 22 January 2002. The key outcomes were:</p> <ul style="list-style-type: none"> ➤ To avoid any overlap, the ILO and the joint ETUC/IOE projects on social dialogue (funded by France, Italy and Switzerland) will collaborate closely together. ETUC and IOE will manage the component that directly concerns the social partners. ➤ The ILO has formulated a project on social protection which will be rolled out in the coming months. ➤ The project on VET (Vocational Education Training) prepared by the ILO and based on the HRD Resolution adopted by the ILC in 2000, needs to be revisited. <p>The South Eastern European Employers’ Forum and the ETUC Balkan Forum held their first joint meeting in Zagreb on 30 and 31 January 2002, which was also attended by the ILO, the European Commission, the Council of Europe, the OECD and the French and Swiss governments. A general Resolution covering the following areas - economic and social development of the region, the problem of social dialogue and the fight against corruption - was adopted and sent to the governments of the region.</p> <p>For more information please contact Oechslin@ioe-emp.org</p>	<p>Stability Pact for South Eastern Europe</p>
<p>The United Nations will convene in Monterrey, Mexico from 18 to 22 March, a summit-level meeting to address key financial issues related to global development. An unprecedented feature of the FfD process is the active participation of the World Bank, the IMF and the WTO, as well as representatives of civil society and the business sector. The draft text of the Monterrey Consensus addresses:</p> <ul style="list-style-type: none"> • Confronting the challenges of Financing for Development: A Global Response • Mobilizing domestic financial resources and international resources for development: FDI and other private flows • International trade as an engine for development • Increasing international financial and technical cooperation • External debt • Addressing systemic issues • Staying engaged <p>For more information please visit the following address: http://www.un.org/esa/ffd/index.html</p>	<p>UN International Conference on Financing for Development (FfD)</p>

<p>Executive Director of the Joint UN Programme on HIV/AIDS (UNAIDS), Peter Piot, said at a luncheon meeting organized by the Business Council for the UN on February 1, that there has been some significant political breakthroughs in the fight against HIV/AIDS in the last year. However, he said he believed that \$740 billion is needed to effectively control HIV/AIDS in developing countries. Dr. Piot said that business had an important role to play, through the UN, in fighting the pandemic. He drew attention to the following ways that business can respond to the problem:</p> <ul style="list-style-type: none"> ➤ They can address actual problems in the workplace, providing a range of programmes to help employees and their families ➤ Companies should provide support and outreach services to the societies in which their employees live. ➤ Businesses should build partnerships with aid agencies. <p>The IOE, in collaboration with UNAIDS, will shortly publish an employers' guide on managing HIV/AIDS in the workplace.</p>	<p>Business Council UN – HIV/AIDS</p>
<p>Despite a global economic slowdown in foreign direct investment (FDI) during 2001, Africa experienced an increase. According to the UN Conference on Trade and Development (UNCTAD), FDI flows in Africa increased from US\$9 billion in 2000 to US\$11 billion in 2001, while in both industrialised and developing countries, FDI flows decreased. UNCTAD estimates put industrialised countries on track for half as much FDI in 2001 as 2000 from US\$1 trillion to US\$500 billion. Overall FDI flows to developing countries were estimated to have dropped from US\$240 billion in 2000 to US\$225 billion in 2001. For more information please visit the following address: http://www.unctad.org/en/press/pdfs/pr01_36.en.pdf</p>	<p>Africa experiences increase in FDI</p>
<p>The World Economic Forum's Annual Meeting 2002 convened in New York City under the theme "Leadership in Fragile Times: A Vision for a Shared Future."</p> <p>IOE President François Perigot represented the IOE at the meeting. He was a discussion leader at the session on "Business, labour and globalization: A strategic approach", and actively participated in the business organisations session.</p>	<p>The World Economic Forum's Annual Meeting 2002</p>
<p>IOE Activities</p>	
<p>African employers have pledged their support to the New Partnership for Africa's Development (NEPAD) initiative, which is a sort of Marshall Plan for the revival of the African continent. The initiative originated from an OAU summit. The meeting was organised by the Pan African Employers' Confederation in conjunction with the ILO, the IOE and the Conseil National du Patronat du Senegal and is the first of its kind by the private sector in Africa. Representatives of thirty African employers' organisations attended. The main message from the conference was that African governments need to carry out macro-economic, structural and sectoral reforms in order to create an enabling environment for the private sector to grow. A number of support measures covering the following areas were agreed.</p>	<p>NEPAD initiative Dakar, Senegal 17- 18 January</p>

<p>Resource mobilisation.</p> <ul style="list-style-type: none"> ➤ Promoting social peace and political stability and monitoring the overall macro-economic situation at the national level. ➤ Ensuring the availability and quality of banking and financial systems. ➤ Ensuring availability, quality and accessibility of basic infrastructure. <p>International Trade</p> <ul style="list-style-type: none"> ➤ Providing a new type of trade relationship between North and South, based on reciprocal interest and equity. ➤ Involving employers' organisations in the negotiation processes of trade related bilateral and multilateral agreements <p>Regional Integration</p> <ul style="list-style-type: none"> ➤ Encouraging and intensifying the creation of viable regional markets and the establishment of links between them, so as to encourage freer flow of capital and movement of people on the continent and between Africa and the rest of the world. ➤ Sensitising enterprises and economic operators on the need for regional integration and the advantages they can draw from it. <p>Governance</p> <ul style="list-style-type: none"> ➤ Participants recommended the adoption of a draft code of good governance by the Pan African Employers' Confederation's General Assembly to be held in June 2002 in Geneva. <p>For further information contact: muia@ioe-emp.org</p>	
<p>In his address to the Dakar Conference IOE President François Perigot called on African employers to play an active role in the NEPAD initiative. Mr Perigot said employers' organisations could play a key role in the implementation of NEPAD because of their immense influence at the national, regional and international levels. Their membership of the IOE has provided them with a forum through which they could make their concerns known to the international business community and the ILO and other multilateral institutions. He pledged the IOE's support to its members in Africa, especially to those who were operating in difficult environments. Although the IOE's financial resources were limited, its membership worldwide had a lot of expertise and experience which could be provided under IOE technical cooperation activities. The IOE had been able to facilitate the exchange and transfer of information among its strong membership. He assured employers in Africa that the IOE in close collaboration with the Bureau for Employers' Activities (ACT/EMP) will continue providing technical support to them. For more information please visit the following address:</p> <p>http://www.africanrecovery.org</p>	<p>IOE President François Perigot addresses the launch of the NEPAD initiative</p>
<p>IOE President François Perigot has written to the Presidents of all members which have not yet expressed their support for the Global Compact, urging them to do so. Forty-nine federations responded to the first call for support and, in response to Mr Perigot's call, the IOE has already received letters from a further nine member federations.</p>	<p>Global Compact</p>

The IOE appeals to those federations which have not yet responded to the President's request to do so, and asks those which expressed their support some time ago to let the Secretariat know in what way they and their members are actually demonstrating or have demonstrated their support for the Global Compact. The IOE would like to receive from member federations as much information as possible, with indications of various initiatives taken to respond to Kofi Annan's appeal. The IOE will in the very near future hand personally all replies and updated contributions received to UN Secretary-General, Kofi Annan.

An Employers' Guide to the Global Compact, prepared by the IOE Secretariat, was recently sent to all members (it also available on our website in English, French and Spanish www.ioe-emp.org).

A position paper prepared by the IOE secretariat on the informal economy, a topic for discussion at the ILC* in June 2002, has been sent to members recently. The approach taken in these papers was shared with the International Confederation of Free Trade Unions (ICFTU). Consequently, the IOE and ICFTU were able to agree with the Office on the following points for discussion at the ILC in June.

- Does the current description "Informal sector" or "Informal economy" provide a basis for protecting workers, addressing the needs of employers and others conducting business or in creating employment?
- What are the main distinguishing characteristics and features, be they positive or negative, of the situations of the economic units and workers concerned?
- What are the causes and reasons for conducting such activities or working in these situations? What are the barriers to entry into the mainstream or "formal" economic social protection system?
- What means (e.g. policies, institutions, processes, etc) best address these situations? How can these barriers to entry be removed, while continuing to generate employment?
- What are the respective roles of national and local governments, as well as of employers' and workers' organisations, in addressing these situations? What are the challenges and contributions that can be made towards satisfying the representational needs of workers, employers and others conducting business?
- What should be the priorities for the ILO's policy, research and technical assistance work relative to these workers and employers, which will contribute to the overall goal of decent work?

The IOE will present its approach to the informal economy at a national meeting of employers in India in late February and will also participate in a meeting of African employers' organizations on the same subject in the Cameroon later in the spring. Both meetings are sponsored by ACT/EMP.

** The IOE will prepare a briefing note for members on the ILO paper for the ILC on the Informal Economy, as well as on the points for discussion.*

**Informal economy-
discussion points
for ILC**

IOE Members	
<p>The IOE is assisting the Malaysian Employers' Federation in conducting its Diploma in Industrial Relations, which has been operating for the last eight years. The IOE will also act as a resource person for the Employers' Confederation of Thailand in a programme on HRM. Both of these programmes are supported by ACT/EMP.</p>	<p>Malaysia and Thailand</p>
<p>The IOE Secretary-General will participate at the ASEAN Conference of Employers (ACC) CEO's meeting in Singapore on 22nd February. One of the chief aims of the meeting will be to try and increase the coordination of employers' views in the region and to provide guidance for future regional programmes and further IOE activities.</p>	<p>ASEAN CEO's Meeting</p>
<p>The IOE's member federations in Mexico (CONCAMIN and COPARMEX), in collaboration with the Spanish employers' organisation (CEOE) and UNICE, will organise the Second EU-Latin American and Caribbean Business Summit, to be held in Mexico (25-26 April). The summit aims to increase and strengthen the existing link between regional business communities. Representatives of all major employers' organisations from Europe, Latin America and the Caribbean are expected to participate. For further information please contact: yuren@ioe-emp.org</p>	<p>EU-Latin American & Caribbean Business Summit</p>
Other news	
<p>French multinational Saint-Gobain will soon begin collective bargaining with American union the UAW for a first agreement covering 850 workers at the company's facility in Worcester, Massachusetts. The decision marks a major victory for a UAW campaign that mobilised strong global trade union support. The UAW was assisted in its campaign by the Fédération Chimie Energie CFDT and the Fédéchimie CGT-FO, two unions which represent Saint-Gobain workers in France, and by the 20-million-strong International Federation of Chemical, Energy, Mine and General Workers' Unions (ICEM), to which the UAW and the French unions are affiliated.</p>	<p>Saint-Gobain Recognises American Union after global labour campaign</p>
<p>Italy's three main national metalworkers' unions signed a code of conduct with Merloni Elettrodomestici S.p.A. on 17 December 2001, in Rome. This agreement is not only the first code of conduct signed by an Italian multinational company, but also the first for the IMF and the metalworking industry worldwide.</p> <p>To supervise compliance with the Code, the agreement provides for the establishment of monitoring, not only of the company's own production units and activities, but its suppliers as well, which risk having their contracts cancelled in cases of grave violations. The company must report on the implementation and status of the agreement at the annual meeting of the European Works Council (EWC) and at the national information meeting provided for by the national collective contract. For countries which are not members of the EWC, representatives of the workers and trade unions at individual plants must receive this information from the local management.</p>	<p>Code of Conduct signed with Italian multinational</p>

<p>The Code also states the principle that profits must be accompanied by the well-being of the communities in which Merloni Elettrodomestici companies are operating. The IMF and its affiliates are negotiating codes of conduct with a number of other multinational companies in the metalworking industry.</p> <p>www.imfmetal.org</p>	
<p>At the IMF Congress in Sydney, a Resolution on Sympathy Strikes Across Borders was passed. The keypoints of the resolution are:</p> <ul style="list-style-type: none"> ➤ That the IMF promotes a campaign within the international trade union movement for recognition of sympathy strikes across borders. ➤ That the IMF and its affiliates in co-operation with the ICFTU will support action at the ILO confirming the right to sympathy strikes across national borders. ➤ That all IMF affiliates should campaign to amend their labour laws to include the right to take sympathy strike action across borders. ➤ That the IMF and its affiliates campaign that all transnational companies in which IMF affiliates represent members, recognise the right of IMF affiliates to take sympathy strike action across borders. For more information please visit the following address: <p>www.imfmetal.org</p>	<p>30th International Metalworkers Federation Congress</p>
<p>IOE Appointments</p>	
<p>Two new members of staff joined the IOE secretariat in the new year. Gary Rynhart, who previously worked with the Irish Business & Employers Confederation (IBEC) joins the IOE as an advisor responsible for external communications and the IOE Enterprise Advisory Group. Jane Wade also joins the IOE as a management secretary.</p>	<p>New IOE staff</p>