



THE ILO WORLD COMMISSION ON THE SOCIAL DIMENSION OF GLOBALIZATION

Editorial

The long awaited Report from the ILO *World Commission on the Social Dimension of Globalization* was finally launched in London in late February. The Report received much media attention which is perhaps more a credit to the ILO's talented communications department than to the substance of the Report. Indeed the one standout analytical media Report came in the shape of an editorial from the Financial Times which called the report a 'missed opportunity'. In some ways this is a fair reflection, as the Report appears to be the sum of many different and often competing views rather than a collective vision – the initial rather optimistic hope. The preface to the Report specifically says as much, that not all Commissioners are in agreement with everything in the Report.

However, while there is much in the Report that business would see differently there is also much in the report that is positive. In particular, the central message that seemed to come from the media launch that '*globalization holds much potential*' - a message that was strongly advocated by the IOE President and Executive Vice-President. It crucially recognizes in a positive way that the global market economy has generated many significant benefits and has great productive potential in terms of economic, political and social development. The acceptance of the market economy model and the appendage of democracy is also a prominent plank of the Report.

The most important aspect of this Report was always going to be the follow-up and in particular what that could mean for the ILO. This is where employers need to focus their reflections and draw their own conclusions. A paper prepared by the Secretariat has been sent to all members that will hopefully assist in the forthcoming debate during the March Governing Body on the 'Follow-up' to the World Commission.

*Antonio Peñalosa
Secretary-General*

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International Labour Organization	
<p>The forthcoming Governing Body promises to be the most significant for some time. Perhaps most importantly, this will be the first occasion that constituents get to discuss the WCSDG Report, the ramifications of which for the ILO could indeed be wide ranging. Discussions on reforming the GB and ILC have also been taking place (see later article) which will factor into discussions. Allied to this are the expected modifications to the programmes of the Office – how far-reaching these changes may be remains very unclear as does whether outcomes from the World Commission will be part of any changes. All of which adds up to what will be a charged Governing Body. Members are reminded that IOE Reports on the GB are posted onto the IOE website: www.ioe-emp.org/privateming/ilo_gb.htm</p>	The March Governing Body
<p>Discussions at the Consultations held in February mainly focused on improvements to the GB. Overall, no major changes are expected in the functioning of either of these bodies. For the Governing Body on the administrative side, the proposals put forward were in general accepted (shorter documents, better management of time, improved preparation of GB and Committee agendas, Chairman briefs). Also was the ideas to request the Office to produce some written unofficial guidelines on established practices of the functioning of the GB. The discussion on possible improvements to the International Labour Conference focused mainly on the procedure of discussing this year's Global Report with further discussion evidently required. The Office will prepare working documents to be discussed during the March 2004 session of the Governing Body. IOE Contact Andres Yuren:</p>	Governing Body and the conference - Consultations on reform
<p>The Employment Sector over the last number of years has been progressively moving forward with many more practical programmes designed to generate or advance employment outcomes. SME support and informal economy programmes as well as specific programmes such as SEED and SIYB have been producing favourable results. However, in order to have a better idea of what programmes are working effectively, not working or need a different approach we ask member federations to have a look at the current documents from the Governing Body's Employment and Social Policy Committee (ESP I/2/3). Principally the key questions are: a) has the programme mentioned had involvement from your organization? and b) has it been (or still is) an effective programme? IOE contact George James. The links to the papers are : http://www.ilo.org/public/english/standards/relm/gb/docs/gb289/index.htm#ESP</p>	Employment Programmes survey
IOE and Member Activities	
<p>Under the recent UN resolution on youth employment (January 2004) adopted by the General Assembly (58/133 - Policies and programmes involving youth) member States are called upon to put in place National Action Plans (NAPs) on youth employment. The ILO is specifically requested to assist in this process. As members will know, the IOE has placed this as a priority issues and has been working with both the Office and ICFTU on joint approaches. The IOE and ICFTU will be present at an Arab regional meeting on launching NAPs in Jordan next month. IOE Contact Gary Rynhart</p>	Youth employment

<p>The IOE gave a briefing to the UNICE Social Affairs Committee on CSR developments at the international level, at a time when CSR is very high on the European employers' agenda. The EU multi-stakeholder forum on CSR is now entering its final stages with a Final Report due in June - the European Commission's response is expected in October. Generally speaking this has not been an entirely smooth process and certainly in terms of methodology European employers had and continue to have many concerns. That aside, one positive outcome of the process has been an acceptance by NGOs and trade unions of the Commission's definition of CSR as "<i>a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis....CSR is behaviour by business over and above legal requirements</i>". This at least appears to have settled the 'voluntary versus mandatory' debate, in Europe at least. IOE Contact Brent Wilton.</p>	<p>The CSR debate in Europe</p>
<p>Presidents and Executive- Directors from ten national employers' organisations participated at this annual event, hosted by the Mauritius Employers' Federation in March (4-5). The central theme of the conference was the strategic management of employers' organisations. In this respect there were calls for more focused events such as employers' organisations and the changing needs of their members, and how to respond to enterprises in an era of globalization. IOE Contact Frederick Muia.</p>	<p>East, Central and Southern African Employers' Organizations Conference</p>
<p>Plans are at an advanced stage to launch the IOE/ICFTU joint activities on HIV/AIDS in Geneva (30-31 March). Representatives from UNAIDS, the Global Fund to fight HIV/AIDS, employer and trade union delegates from 8 African countries and company representatives will attend. The main discussion will be on how to build a framework to enable IOE and ICFTU members to come together to develop strategies, projects and programmes on HIV/AIDS and how best to build synergies with UN and donor agencies. IOE Contact Frederick Muia.</p>	<p>Launch of IOE/ICFTU Global Action on HIV/AIDS</p>
<p>UN and Other International Agencies</p>	
<p>The controversial draft norms will come before the full UN Commission on Human Rights later this month. These draft Norms look to make companies responsible for international human rights, an obligation which has always been the sole responsibility of States. They also look to make all companies responsible for all ILO labour standards regardless of national ratification and seek to establish enforcement and monitoring measures which conflict with those established by the ILO. The IOE expects compliance by companies with national human rights law, and it supports companies in exploring ethical and moral means of addressing human rights dilemmas; but it cannot support making companies legally responsible for the aspirational aims of international human rights instruments. In the run up to the Commission meeting the Secretariat has been undertaking a series of consultations with diplomatic missions in Geneva and has also (in conjunction with the ICC) sent an explanatory note on the norms to members. IOE Contact Brent Wilton.</p>	<p>UNHCHR Draft Norms for Business</p>
<p>Working in parallel to the <i>ILO World Commission the Social Dimension of Globalization</i> (WCSDG) was a separate Commission established by UNDP on the role of the private sector in development. The Commission was headed by</p>	<p>UNDP World Commission on Private Sector</p>

<p>the Prime Minister of Canada and included many senior business figures (the ILO Director-General Juan Somavia was also one of its 17 members). This Commission has produced an excellent Report <i>'Unleashing entrepreneurship: making business work for the Poor'</i> which Prime Minister Paul Martin called at its launch in February the 'answer' to many of the issues raised in the ILO WCSDG Report. The IOE will explore with UNDP in the coming months possible future roles our members could play in its implementation. To access the Report: http://www.undp.org/cpsd/</p>	<p>and Development: Final Report</p>
<p>UNCTAD is initiating a programme aimed at creating, deepening and extending linkages between MNEs and SMEs in developing countries, particularly in the least developed ones. The IOE has met with UNCTAD and is looking at ways of working with it on this issue. It is envisaged to have exploratory discussions between employer GB members and UNCTAD during the forthcoming GB. The IOE is also in discussions with UNIDO on the possibilities of working with it on SME issues (UNIDO has been charged with running the SME component of the Global Compact). IOE Contact Gary Rynhart.</p>	<p>SMEs in focus</p>
<p>In our recent report on progress by the ISO CSR Working Group we advised that the Conference to be held in Stockholm, Sweden (21-22 June) will be made up of delegations from national ISO committees. Employers' organizations wishing to be at that Conference, which will in effect be the last opportunity to influence the ISO on this issue, need to ensure that they get themselves onto their national ISO delegations. IOE Contact Brent Wilton.</p>	<p>International Organization for Standardization (ISO)</p>
<p style="text-align: center;">Other News</p>	
<ul style="list-style-type: none"> • Finland has come out as the best performing country in terms of promotion and implementation of CSR initiatives. www. Responsiblecompetitiveness.net • A recent survey on stakeholder attitudes to CSR has found that Human Rights is the single most important issue for people. Other priority issues were safety and health, business ethics and social standards in developing countries. www.fishburnhedges.co.uk/content/home/news.cfm • Most local authority CSR initiatives focus on workplace conditions (e.g. employee education) according to a recent study. www.agenda-scotland.org/projects.shtml • The World Bank has commissioned an independent body to review the Bank's lending priorities with energy sector (with some critical findings). www.eireview.org 	<p>CSR wrap up</p>
<p style="text-align: center;">Publications</p>	
<p>A new ILO study entitled <i>"Investing in Every Child: An Economic Study of the Costs and Benefits of Eliminating Child Labour"</i>, is the first integrated analysis of the economic costs and benefits of eliminating child labour to be conducted worldwide. It compares costs and benefits but with the aim of understanding the economic implications of these international commitments. Access the document at: www.ilo.org/public/english/standards/ipecc/publ/download/2003_12_investingchild.pdf</p>	<p>New ILO Child Labour study</p>

<p>The top 10 most-globalized countries in order of rank in the (fourth) annual A.T. Kearney/Foreign Policy Globalization Index which measures economic, personal, political and technological globalization in 62 countries were Ireland, Singapore, Switzerland, Netherlands, Finland, Canada, United States, New Zealand, Austria and Denmark. The 10 least-globalized countries, where 50 percent of the world's population lives, were Brazil, Kenya, Turkey, Bangladesh, China, Venezuela, Indonesia, Egypt, India and Iran (Haddix, UPI). Access the Report at: http://www.foreignpolicy.com/story/cms.php?story_id=2493</p>	<p>Globalization Index</p>
<p style="text-align: center;">Secretariat</p>	
<p>The IOE Secretariat in recent years has been trying to improve its means of communication with members. Electronic means are now the dominate form. The IOE website is being used more and more and is becoming a wider repository of information on employer issues. The IOE.net is now a shorter and expects to be more regular publication. However, it is still clear that many important messages are not getting through to the right people in the federations. The results from a survey of employment programmes is indicative of this problem, with a very poor response (indeed we ask again for this information in an earlier article of this IOE.net). In order to be a truly effective body at the international level we need the active participation across all issues from relevant people, with the right expertise from member federations. Therefore we ask all federations to make available to all relevant staff the IOE password for the website, and to send us a list of <u>all</u> those within the federation who should be receiving the IOE.net.</p>	<p>Geneva Calling?</p>
<p>Sandy Gros-Louis joined the IOE Secretariat in early March as an adviser on MNEs, CSR, Industrial Relations and International Labour Standards. Sandy is a Canadian lawyer who worked for Scotiabank, a multinational bank with 48,000 employees in some 50 countries. Over the course of her six years at Scotiabank, Sandy worked in various areas of the bank including General Counsel's Department and International Human Resources. In her last position, she was Director of the Bank's Employee Relations Department. Sandy has been attending the ILO Conference since 1999 as an employer member of the Applications Committee, which exposed her to the workings of the IOE and the ILO generally.</p>	<p>Secretariat Changes</p>
<p style="text-align: center;">Forthcoming Meetings</p>	
<ul style="list-style-type: none"> • 11-26 March : ILO Governing Body (Geneva) • 30-31 March : ILO-IOE-ICFTU meeting on HIV/AIDS – (Geneva) • 4 - 6 April : Meeting on Youth Employment for Arab countries (Amman) • 23 - 24 April : IOE Workshop on Labour Law in Romania and Moldova (Bucharest) • 26 - 28 April : China Employment Forum (Beijing) • 5 May : Meeting of the IOE Enterprise Advisory Group (Geneva) • 6 - 7 May : IOE Conference on the role of employers' organizations in Montenegro (Podgorica) • 14 - 15 May : IOE Meeting on Corruption in East and Central Europe Belgrade (Serbia) - <i>to be confirmed</i> • 31 May : IOE General Council • 1 - 17 June : International Labour Conference • 24 June : Global Compact Leaders Summit meeting (New York) 	