



THE FUTURE OF THE ILO LIES IN ITS RELEVANCE TO CONSTITUENTS!

Editorial

For some time now concerns have been expressed by both the Employers' and Workers' Groups in the ILO that it is moving away from its core mandate of the world of work. The ILO's unique contribution to social development lies in that workplace focus. This can mainly be achieved through activities addressed to improving the environment for business development and sustainability, developing effective mechanisms of social dialogue and addressing social protection.

To do this the ILO must look to ensure its relevance to the current expectations and realities of the world of work by ensuring the engagement of workers and employers in identifying the issues for debate and supporting their needs through both technical co-operation and advocacy. The strength of the ILO lies in the strength and commitment of the constituents.

The March session of the Governing Body will look at the Programme and Budget for 2006-07. The ILO needs to refocus its responses to the needs of its direct constituents, look to strengthen them in their work at national level and show through its efforts that it is the leader in labour and social policy debates. If it fails to do so, by deviating its attention to trendy areas identified by outsiders, the ILO is at risk of losing the interest and commitment of those it was created to serve. Such disinterest will be fatal to the future relevance of the ILO with regard both to its own mandate and to its contribution to the multilateral system's efforts to address key issues of economic and social development.


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<p>The employers are committed to work with the ILO; but that Organization itself needs to show in practice that it shares the employers' goals. The programme and budget discussions are where this engagement must be reflected in the future work of the ILO.</p> <p style="text-align: center;"></p> <p style="text-align: center;"><i>Antonio Peñalosa</i> <i>Secretary-General</i></p>	<p>→ <i>Editorial</i></p>
<p>International Labour Organization</p>	
<p>Unquestionably, the ILO needs to meet with constituents on a regional basis as these occasions give focus to the work of the Office and, more importantly, provide an opportunity to give it direction on future priorities. Regional meetings however remain far too protracted and can lack focus. Unfortunately, in spite of the ILO efforts this was again the case of the 7th ILO regional meeting held in Budapest in February.</p> <p>However, that having been said <i>the meeting was well run</i> and the Office should be commended for this. Four panel sessions (on ageing, youth employment, flexicurity and migration) were both topical and highly engaging. Participation was maximized through interactive sessions which made for a lively and diverse debate. The high level discussion with the participation of four Prime Ministers, which also included IOE President François Perigot, was an excellent initiative.</p> <p>Sadly, however this was not brought out in the conclusions of the meeting. Many in the Employers' Group expressed major concerns and frustrations at "conclusions of the meeting" so evidently prepared in advance and that simply did not reflect the many interesting, challenging and provoking interventions. Rather, employers' representatives in the drafting group found themselves wrangling over references to 'the World Commission' or 'the role of the Bretton Woods institutions' while asking "<i>did we actually discuss these things?</i>". If delegates are to be away from their offices for an entire week then at the very least they should feel it was a worthwhile exercise in which their contributions mattered! It is up to the Governing Body to give direction on the shape of these meetings and that opportunity arises later this month. IOE Contact: oechslin@ioe-emp.org</p>	<p>7th ILO European Meeting</p>

<p>An ILO sector meeting was convened earlier this month to draw up a new Code of Practice on Safety and Health in the iron and steel industry, replacing the one adopted in 1981. The new Code reflects the many changes in the industry and its workforce, as well as the development of numerous new ILO instruments on OSH over the past twenty years. The code, recognizing that an effective safety and health system requires joint commitment, lays down the respective responsibilities, duties and rights of competent authorities, labour inspectorates, employers, workers and their representatives, suppliers, manufacturers, designers and contractors. The importance of the implementation of an OSH management system, of the reporting, recording and notification of accidents and diseases as well as the provision of occupational health services is also stressed, with appropriate reference to the relevant ILO instruments in these areas appearing in annex.</p> <p>Guidance on general prevention and protection includes physical hazards (noise; vibration; heat and cold stress; ionizing and non-ionizing radiation), ergonomics and chemical hazards, with separate chapters dealing more specifically with, <i>inter alia</i>, coke ovens and by-product plants; iron and steel-making; iron and steel foundries and rolling mills.</p> <p>Proposals put forward by the worker experts to place a duty on employers to comply with international and national standards, as well as to extend the employers' responsibility to include that of the general environment, led to tough negotiations. The employer experts were successful in dealing with these two issues, with appropriate amended wording under general provisions; however, it can be expected that every opportunity will be seized by the workers in future meetings to place these obligations on employers.</p> <p>The Code of Practice – which, like all ILO Codes of Practice, is a non-binding instrument - is welcomed by the iron and steel industry representatives as a positive step towards improving the protection of workers' health and safety in the iron and steel industry. IOE Contact: perkins@ioe-emp.org.</p>	<p>New Code for the iron and steel industry</p>
<p>The ILO has announced that it will be expanding its monitoring of garment factories under a project aimed at improving labour standards in Cambodia, where garment exports represent 40 percent of the economy. The Garment Sector Project is also being re-named the <i>Better Factories Cambodia Project</i>. The project is part of a strategy by Cambodia, post the December 2004 ending of the world textile export quota system, to market itself as a labour-friendly, socially responsible exporter. Under the expanded project, a web-based reporting system will be launched and in the next six months information on most factories in Cambodia will be available on a website: http://www.ilo.org/public/english/dialogue/ifpdial/publ/cambodia9.pdf</p>	<p>ILO expands monitoring of Cambodia's garment factories</p>

<p>The Office is currently putting together a 'Manual' that will aim to serve as a point of reference for all those involved in developing and drafting international labour standards. It is intended to be used primarily by the Office and the Secretariats of each group. A shorter and more user-friendly version of the Manual will also be prepared by the Office for Government, Employer and Worker members of the International Labour Conference technical committees. This shorter version is expected to be available for delegates by the June 2006 Conference. A group of tripartite experts met in late February to provide guidance on its content. The current version will be made available electronically to GB Members at the upcoming March session.</p> <p>IOE Contact: gros-louis@ioe-emp.org</p>	<p>Manual for Drafting ILO Instruments</p>
<p>The Governing Body's MNE Subcommittee recently approved a number of activities intended to promote the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (the "MNE Declaration"), which is supported by the Employers' Group as the ILO's point of reference for CSR. Among the approved promotional activities were Sub-regional Symposia in the Southern African (SADC), Latin American (MERCOSUR) and Asian (ASEAN) countries, the first of which took place in Pretoria for SADC countries in late January. The meeting enabled an exchange of good practice examples from the sub-region, while working groups (on employment, training, conditions of work, and industrial relations) discussed provisions of the MNE Declaration and came up with some ideas for future action (at both national/sub regional level).</p> <p>IOE Contact: gros-louis@ioe-emp.org</p>	<p>MNE Declaration Sub-regional Symposium in SADC</p>
<p>IOE and Member Activities</p>	
<p>A review of the current strategy of the Youth Employment Network (the ILO, UN, World Bank interagency initiative) by its High Level Panel will take place in China in May. A central element of this strategy is a focus on ten lead countries (Azerbaijan, Brazil, Egypt, Indonesia, Iran, Mali, Namibia, Rwanda, Senegal and Sri Lanka). IOE members, particularly those from these countries, are asked to contact the Secretariat if they have information or views they would like to transmit that meeting.</p> <p>The Jamaican employers are taking the lead nationally on the issue of youth employment. A first stakeholders meeting has been held, with tentative plans for the launch of a Youth Employment Network in Jamaica in April. Over twenty agencies, including government, aid agencies, private sector organizations and others were represented at this meeting. IOE Contact: rynhart@ioe-emp.org</p>	<p>Youth Employment</p>
<p>This year's annual conference of East, Central and Southern Africa Employers was hosted by the Employers' Confederation of Zimbabwe (EMCOZ) in late January. The event, attended by IOE members from around the sub-region, focused on the role of employers' organizations in Africa's economic transformation. The meeting called on African governments to provide an enabling environment for enterprise creation and development; to create the</p>	<p>East, Central and Southern Africa Employers' Conference</p>

<p>necessary legal and supervisory framework to protect private property; to carry out the necessary macro-economic, structural and sectoral reforms; and to promote intra-African trade through regional integration. This conference served as a follow up to the Extraordinary Summit of the African Union Heads of State that was held in Ouagadougou, Burkina Faso in September 2004 which addressed the role of the private sector in employment creation and poverty alleviation. IOE Contact muia@ioe-emp.org</p>	<p>→ <i>East, Central and Southern Africa Employers' Conference</i></p>
<p>The IOE (in collaboration with ACT/EMP) is currently putting together a guide for employers' organizations wishing to participate in Poverty Reduction Strategy Papers (PRSPs). The approach to any engagement in the PRSPs will differ; however, there can be some generalized approaches for employers' organizations such as advocating policies that aim to develop a business environment conducive to enterprise development and expansion, in particular smaller entities. This will be a focus of the guide. IOE Contact: rynhart@ioe-emp.org</p> <p>The IOE is currently putting together a 'Child Labour Kit' for employers. In this context, the Secretariat is developing a document entitled "An IOE Approach to the Challenges in addressing the issue of Working Children" that will form part of the Kit and that will be sent around to members for consultation. Federations are encouraged to contact the Secretariat if they have good practices or success stories that they would like to contribute to the Kit. IOE Contact: gros-louis@ioe-emp.org</p>	<p>Forthcoming Employers' Guides</p>
<p>On 1st January this year, our Finnish member federation, the Confederation of Finnish Industry and Employers (TT), merged with the Employers' Confederation of Services Industry to form the Confederation of Finnish Industries (EK).</p>	<p>Finnish employers merge</p>
<p>UN and Other International Agencies</p>	
<p>With the adoption (by a vote) of the new work item proposal on social responsibility, ISO has commenced a three year process to develop a Guidance Document on social responsibility. In principle, it is not to be a management system standard and will not be subject to certification. However, as ISO proceeds it will be important to ensure that the development of the Guidance Document stays true to this and does not stray into other unwanted areas.</p> <p>The first meeting of the working group to develop this work will be in Brazil on 7-11 March (where the IOE will be actively involved). It is here that the physical structures needed to prepare the work will be finalized. As the Guidance Document will be primarily directed to business, it is important that business be involved actively in this work from the outset: www.iso.org/sr. IOE Contact: wilton@ioe-emp.org</p>	<p>International Organization for Standardization (ISO)</p>

<p>During the last number of years, the IOE and the Organization of American States (OAS) have been intensifying their collaboration. This has paved the way on one hand to the active participation of business organizations in the main social and labour debates in the American region and on, the other hand, has allowed IOE member federations to provide the business perspective in the design of the social dimension of regional integration. The IOE is now well placed to position itself as the main voice of business in the OAS debates related to social and labour issues.</p> <p>2005 will be an important year for IOE member federations in the region, as the Inter-American Conference of Ministers of Labour (held every two years) will be taking place in Mexico in September. Later, in November, the IV Summit of the Americas, organized by the Organization of American States (OAS) will be held in Argentina and will focus on employment as a key element to fight poverty and promote democratic governance. The IOE's main objective will be to influence, through its participation in the Business Technical Advisory Committee on Labour Matters (CEATAL), the proceedings of both the Conference and the Summit. Additionally at least six IOE member federations will participate in a "bipartite" workshop entitled "<i>Innovation and Decent Work</i>", which will take place within the framework of the <i>IV Summit of the Americas</i>. The objective of the workshop will be to produce a document with recommendations that will be submitted to the <i>Summit Implementation Review Group</i> (the body in charge of drafting the Summit's Declaration and Plan of Action) with a view to incorporating the views of the world of work into the final Declaration and Plan of Action.</p> <p>IOE Contact: yuren@ioe-emp.org</p>	<p>The IOE and the OAS: Increased Cooperation</p>
<p>The Informal Business Advisory Group to the WTO Director-General, of which IOE President François Perigot is a member, held its third meeting in January. 2005 will be a key year with the outcome – successful or otherwise - of the Doha Development Trade Round to be decided at a Ministerial meeting in December in Hong Kong. One key issue raised at the Business Advisory meeting was the role of the business community in this process and how it can contribute to successful outcomes. The IOE's added value is in playing a convening role, assisting and facilitating member federations, in particular in developing countries (where this is relevant) in national and regional debates on trade developments and their impacts. The WTO recognizes that it engages principally with national governments and not enough with national business representatives. The WTO has recently worked with IOE federations in West Africa (e.g. national dialogues on trade policy and the implications of the current trade round) and have intimated to IOE that it would greatly value the opportunity to extend such dialogue. IOE Contact: rynhart@ioe-emp.org</p>	<p>WTO Informal Business Advisory Group Meeting</p>

<p>The IOE will be represented at the G8 Labour Ministers meeting in London on 10 March by Oleg Eremeev, Chairman of the Coordinating Council of Employers' Unions of Russia (CCEUR). The meeting will focus on the employment implications of demographic change, including a discussion on how G8 countries can meet the challenges of an ageing society with a diminishing working age population. The meeting will also consider the problems of the developing world, in particular the issue of population growth that is taking place and the related challenges of youth unemployment.</p> <p>IOE Contact: rynhart@ioe-emp.org</p>	<p>G8 Labour Ministers meeting</p>
<p>This year's tripartite meeting of the AU Labour and Social Affairs Commission will be held in Johannesburg, South Africa (18-23 April). Among the issues on the agenda are the draft social policy framework for Africa, follow up to the Ouagadougou Summit and the implementation of NEPAD. Members are reminded that their governments should fund the travel and subsistence expenses of the tripartite delegation. IOE Contact: muia@ioe-emp.org</p>	<p>African Union (AU) Labour and Social Affairs Commission</p>
<p>Other News</p>	
<p>French chemicals producer Rhodia has become the eleventh company to sign a framework agreement with the International Federation of Chemical, Energy, Mine and General Workers' Unions (ICEM). The Rhodia agreement sets forth the company's commitment to social responsibility and dialogue with ICEM and respective trade unions in countries where the company does business. The agreement was negotiated and signed with the ICEM and supported by French affiliates Fedéchimie, CGT-FO and the Fédération Chimie Énergie CFDT. The agreement affirms a commitment by Rhodia to uphold ILO core Conventions and the ten principles of the Global Compact initiative. It is the first ICEM signed agreement in the chemical sector.</p> <p>IOE Contact: gros-louis@ioe-emp.org</p>	<p>ICEM signs International Framework Agreement (IFA) in Chemical Sector</p>
<ul style="list-style-type: none"> • A draft of globally applicable principles for sustainable palm oil production has been drawn up for the Roundtable on Sustainable Palm Oil (RSPO) which represents oil palm growers and processors, consumer goods manufacturers, retailers, investors, non-governmental organizations and government agencies: www.sustainable-palmoil.org • Members of the Ethical Tea Partnership (such as Gold Crown Foods, Sara Lee/Douwe Egberts, Tetley Group, Twinning and Unilever) will begin monitoring tea estates in China in the autumn (using PwC as monitors): www.ethicalteapartnership.org • Novo Nordisk has increased efforts to promote socially responsible business practices in its supply chain and has developed a website to diffuse best practice and tools to suppliers: http://suppliertoolbox.novonordisk.com 	<p>Corporate Social Responsibility Round Up</p>

<ul style="list-style-type: none"> • Seven global transport and logistics companies are to produce a set of social and environmental performance indicators for their sector by the end of next year. www.weforum.org/pdf/GCCI/corpcitizen.pdf • Swiss company Novartis has established 'living wage' levels for staff. Novartis say it has developed a pragmatic approach to arriving at a 'living wage' based on collected statistics (<i>many companies have had difficulty establishing exactly what a 'living wage' is</i>). http://www.novartisfoundation.com • Clothing Company GAP has decided to place less emphasis on monitoring its supply chain because the approach to date has yielded limited success. The company will now focus more on partnership approaches (with actors such as trade unions) to try and tackle problems in this area: http://www.gapinc.com/social_resp/ifpr.htm • A consultancy (Sustainability) Report has signalled the potential threat to CSR from the growing number of legal campaigns targeted at companies by civil society groups. The report contends that this could push business into a more defensive posture: http://www.sustainability.com/publications/Liability/The%20Changing-Landscape-of-Liability%202004.pdf • A European Commission funded project will examine the financial benefits to companies of adopting sustainability programmes. The two year project will examine 50 European companies: www.advance-project.org • From 1 April the UK's 1200 largest public companies will have to publish an Operating and Financial Review (OFR) annually (detailing elements such as social and environmental impacts). A key aim of OFRs is in the provision of information, shareholders being a prime target: www.dti.gov.uk/cld/financialreview.htm • The Dutch government has established an independent 'knowledge centre' on corporate social responsibility to act as a national information point: www.mvonderland.nl/rightnav/Engels.htm • The <i>Partnering Against Corruption Initiative</i> in partnership with Transparency International facilitated agreement by companies in three industry sectors on the Partnering Against Corruption Principles for Countering Bribery (PACI Principles). The PACI Principles are derived from Transparency International's Business Principles for Countering Bribery: http://www.weforum.org/site/homepublic.nsf/Content/Partnering+Against+Corruption 	<p>→ Corporate Social Responsibility Round Up</p>
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Publications

ILO: Global Employment Trends: The global employment situation improved, albeit slightly, in 2004, according to the ILO's annual Global Employment Trends. Unemployment worldwide declined from 6.3 per cent to 6.1 per cent, or from 185.2 million in 2003 to 184.7 million in 2004. The ILO said the global decline in unemployment, though slight, marked the first time since 2000 that year-over-year unemployment decreased and was only the second decrease since 1994. The report said a robust global economic growth rate of 5 per cent in 2004 played a large role in these developments.

<http://www.ilo.org>

ECLAC Report: According to a UN Economic Commission for Latin America and the Caribbean (ECLAC) Report, the economy of the region grew by 5.5% in 2004 while the region's per capita GDP is estimated to have risen by about 4%. In 2005 GDP growth is projected to come in at about 4%. For the second time in the past 20 years (the first time was in 1997), all of the region's largest economies (Argentina, Brazil, Chile, Colombia and Mexico) posted growth of over 3%: <http://www.eclac.cl/>

World Bank Report - *Beyond the City: the Rural Contribution to Development*: According to this recently published report, Latin America and Caribbean countries need to invest more and better in rural communities, as their economic contribution to national development is twice as large as officially believed. The report evaluates the effects of the rural sector on national growth, poverty reduction and environmental degradation both in rural areas and the rest of the economy, as well as the public policies that can enhance its contribution to overall national development. The study concludes that countries need to put in place programmes to support the restructuring of small domestic producers in importing sectors that are unable to compete even with a reduction of subsidies in rich countries: www.worldbank.org/lac

Forthcoming Meetings with IOE involvement

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| 7-24 March | → ILO Governing Body (<i>Geneva</i>) |
| 7-11 March | → 1 st meeting of the ISO working group: launch of the development of a standard on social responsibility (<i>Salvador de Bahia</i>) |
| 10 March | → G8 Labour Ministers Meeting (<i>London</i>) |
| 17 March | → IOE CSR working party (<i>Geneva</i>) |
| 18-19 March | → IOE Management Board (<i>Geneva</i>) |
| 4-6 April | → 10 th Roundtable for the Caribbean Employers' Organizations (<i>Hamilton, Bermuda</i>) |
| 17-21 April | → ILO/WHO Meeting on Health Services (<i>Geneva</i>) |
| 18-23 April | → African Union Labour and Social Affairs Commission (<i>Johannesburg, South Africa</i>) |
| 21 April | → MEDEF/UNICEF/SIDA Enterprises Meeting on HIV/AIDS (<i>Paris</i>) |
| 27-28 April | → Regional Seminar for Latin American employers' organizations for the improvement of productivity and working conditions (<i>Buenos Aires, Argentina</i>) |
| 3-4 May | → PEC/IOE/ILO Conference on enterprise promotion in Africa (<i>Tunis</i>) |
| 30 May | → IOE General Council (<i>Geneva</i>) |
| 31 May-16 June | → International Labour Conference (<i>Geneva</i>) |