



THE GLOBAL COMPACT AND ITS NEW CHALLENGES

Editorial

The Global Compact Leaders' Summit met in Geneva, with numerous participants in attendance (see later article). The Global Compact was originally a personal initiative of the United Nations Secretary-General at the time, Kofi Annan, during a period when the United Nations institutions were coming under criticism. The recent integration of the Global Compact as a United Nations initiative, with the support of Ban Ki Moon, is now taking shape. The Global Compact is being converted into a programme of its own.

However, its challenges today – both internal and external – are enormous. The first will be how to maintain a balance in a voluntary initiative (since it must remain voluntary) led by the business community in which civil society is not ignored. The weak participation of the trade unions at the Summit (according to them due to lack of interest among their membership), together with demands from the NGOs – Amnesty International and Save the Children among others – for more control over enterprises, call for prudence in moving forward.

It is also important that local networks are strengthened and that the business community feels that the local network is in its hands. United Nations Agencies must help in creating these networks, but soon local enterprises and their most representative organizations must take over leadership of the Compact. This local symbiosis could make its development easier and could facilitate outreach to the SMEs. The commitment of the SMEs in the Global Compact will increase its credibility; the Compact must not turn into a club of large enterprises.

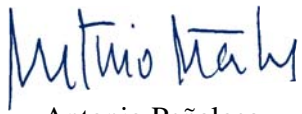
Moreover, local networks have two fundamental tasks – to attract new enterprises and to facilitate the commitment of those already signatory to the Compact. In this connection, harmonization among local networks is essential,

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<p>and networks must have the means by which to support enterprises in presenting their annual reports. The large corporations will appreciate better coordination between the networks, and SMEs will require a more simplified model of integration.</p> <p>Finally, the Global Compact has been successful in providing answers to major societal debates within its responsibilities – as recently, on climate change and water. This success should not make the Global Compact go beyond its ten principles. On the contrary, it is through these principles that enterprises may wish to express their commitment to respond to the concerns of humanity. Mention must be made, in this regard, of the Agreement signed in 2003 within the framework of the Global Compact between the IOE and the ICFTU to jointly fight against HIV/AIDS at the workplace.</p> <div style="text-align: center;">  <p>Antonio Peñalosa Secretary-General</p> </div>	<p>→ <i>Editorial</i></p>
<p>IOE AND MEMBER ACTIVITIES</p>	
<p>The IOE, in conjunction with the ILO’s Bureau for Employers’ Activities will organize a sub-regional forum on corporate social responsibility for IOE members in French Speaking Africa. The event hosted by the Confederation of Malian Employers will take place in Bamako in late August.</p> <p>The forum will bring together representatives of employers from ten countries to explore initiatives on how employers can respond proactively to the growing debate on CSR. The event will also discuss international initiatives such as the Global Compact and the <i>ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy</i> and their impact on enterprises at national level. It will also be an opportunity to discuss the role of business in society and responses to any moves to legislate CSR.</p> <p>The IOE Secretary General and a representative of the Global Compact Office in New York will attend the forum to give the international perspective on the debate. IOE Contact: Frederick Muia.</p>	<p>Corporate Social Responsibility in Africa</p>
<p>The 2007 IOE European Members Meeting will be hosted by the Confederation of British Industry from 12 to 15 September in London. This year’s meeting will focus on the following subjects: UN reform and the consequences for the IOE and the ILO; labour migration in Europe and the role of employers’ organizations; the debate on trade and labour standards; and changing labour market models from across Europe. In addition, participants will discuss the latest developments on CSR and on IOE and ILO issues (including updates on the current efforts at Conference level to adapt the ILO and the new approaches to sectoral activities). European members are invited to send their registration form as soon as possible. IOE Contact: Eric Oechslin.</p>	<p>IOE European Members Meeting</p>

<p>A Toolkit designed to assist employers in tackling Child Labour was launched at the International Labour Conference in June. The Toolkit, which is a joint effort of the IOE and the ILO Bureau for Employers' Activities (ACT/EMP), was reviewed by a wide range of experts from employers' organizations, along with the ILO International Programme on the Elimination of Child Labour (IPEC).</p> <p>The Toolkit is divided into a set of three guides designed to help both employers' organizations and individual enterprises to understand the issue and to take appropriate action to tackle it. It provides strategies, along with illustrative examples, for the prevention of child labour, the withdrawal of children from work and the protection of those children who are under the minimum age of employment work.</p> <p>The first guide provides some definitions to help better comprehend the issues involved. The two subsequent guides explain what can be practically done to combat child labour from the business point of view. Guide two is addressed specifically to enterprises, while guide three concerns the collective role that employers' organizations and other business associations can play in helping their members on this important issue.</p> <p>In order to develop and enrich the Toolkit, we encourage member federations to continue to provide us with feedback and examples of their experiences and efforts in tackling child labour. The Toolkit is now available on the IOE website: www.ioe-emp.org</p>	<p>Child Labour Toolkit for Employers</p>
 <p>The IOE, in collaboration with the Chilean Confederation of Production and Trade (CPC) and the Spanish Confederation of Employers' Organizations (CEOE), will organize the 18th Meeting of Presidents of Iberoamerican Employers' Organizations in Santiago in early November. This year's meeting will focus on the following three topics: 1) Social Dialogue in Latin America – Joint Declarations and Agreements between employers' organizations and trade unions: future expectations ; 2) Sustainable Enterprise in Latin America : Regional Strategy towards free enterprise; and 3) Corporate Social Responsibility and the Global Compact : Role of Employers' Organizations. IOE Contact: María Paz Anzorreguy.</p>	<p>Meeting of Presidents of Iberoamerican Employers' Organizations</p>
<p>In May, the IOE organized a meeting in Caracas to reflect on the pillars for sustainable enterprises in Latin America. The meeting brought together twenty high-level representatives from IOE members in Spain and Latin America as well as IOE Executive Vice-President, Daniel Funes de Rioja, Regional Vice-President, Dagoberto Lima Godoy and Secretary-General, Antonio Peñalosa.</p> <p>At the end of the meeting a set of conclusions was adopted under the title "<i>Declaration of Caracas</i>" identifying nine fundamental pillars for sustainable enterprises in the region – Private Property and Legal Security; Business Environment; Political and Macroeconomic Stability; Democratic Society and Free Initiative; Institutional Framework in a Globalized Society; Education and Human Capital; Social Dialogue; Fundamental Rights at Work; and Social Responsibility. The full Declaration can be downloaded from the IOE website.</p>	<p>Declaration of Caracas</p>

 <p>The first edition of what will be an annual IOE <i>International Labour and Social Policy Review</i> was launched at the recent International Labour Conference.</p> <p>The articles contained in the <i>Review</i> come from across the global employer community and reflect a wide range of issues, presented from a national perspective. They are designed to present a snapshot of key current labour market issues and trends. It is hoped that the <i>Review</i> will add to the global debate on labour and social policy issues and will become in time an important reference for policy makers. The <i>Review</i> can be downloaded directly from the IOE website www.ioe-emp.org.</p>	<p>Annual Labour and Social Policy Review</p>
<p>The IOE's <i>Global Industrial Relations Network</i> held its inaugural meeting in late June. The meeting was hosted by MEDEF, the French employers' organization, with eighteen companies from a variety of different sectors and regions participating.</p> <p>The Network brings together industrial relations practitioners from major enterprises who have been nominated by IOE member federations. It is intended that the Network meet twice a year, with the next meeting scheduled for the last quarter of this year. IOE Contact: Barbara León.</p>	<p>Global Industrial Relations Network</p>
<p>All members that have not yet responded to the “Trends in the Workplace 2007” Survey are kindly requested to do so as quickly as possible. Considerable effort has gone into designing this Survey and it is hoped that it will be of real value to the employer community both at the international and national level. This Survey is designed with three main objectives in mind:</p> <ol style="list-style-type: none"> 1. To provide member organizations (and their members) with comparative international data on key labour market issues for use in their policy debates; 2. To provide the IOE with empirical data for use in policy debates at the international level; 3. To start to identify key trends internationally. <p>The Survey, which is divided into five technical sections (Working Conditions; Social Dialogue; A Changing Labour Force; Globalizing Economies; Looking Ahead: Labour Market Changes), is available on the IOE website in the individual parts (http://www.ioe-emp.org/en/ioe-papers/surveys/index.html). A final section seeks some details on the profile of participating organizations. Responses (even partially complete) should be sent <u>as soon as possible</u> directly to María Bárbara León: leon@ioe-emp.org.</p>	<p>International Survey “Trends in the Workplace”</p>

INTERNATIONAL LABOUR ORGANIZATION

Reforms to the International Labour Conference

This year's Conference, which was operating under changes agreed by the Working Party on Conference Reform, provided a number of very clear ideas on how to improve its running in three ways – efficiency, profile and, most importantly, its substantive outcomes.

In terms of efficiency, the decision to limit the Plenary sittings to the final, third week has proven to be a correct one, certainly at a technical level. The usual practice of committees being disturbed by delegates coming and going to speak in plenary or to hear a speech was ended. This meant that the technical committees focused on the work at hand, with no distractions. Rooms were full and it is no coincidence that all four committees ended their work on schedule and with fewer problems than other years.

The Plenary sessions were left to the third and final week. While the room was fuller than previous years during many speeches, this was not always the case and quite a few speakers were left addressing a largely empty hall. This is unfortunate but, considering the amount of speakers, this is probably how it always will be. The only solution would be to limit the number of speakers from each group, but there seems to be no appetite to do this.

Second, in terms of profile, the Conference saw visits by five Heads of State along with two Crown Princes. However, this made planning in the final week very difficult, particularly as the formal work of the Conference had to be finished (i.e. the reports adopted). Consideration needs to be given to the amount of High Level Guests at future Conferences. A high level panel discussion was also used in plenary for the first time. This was a useful exercise and is a format, perhaps with some re-working, that can be used again.

Lastly, in terms of substantive outcomes, the Conference adopted by a very large majority a Convention on Work in the Fishing Sector. Members will recall that the previous attempt in 2005 to adopt this Convention ended in failure. The employers on that occasion rather magnanimously offered to put the discussion back on the agenda as soon as possible with a view to examining the problem areas in the interim period. And this is perhaps the key reason that the discussion this year resulted in a successful outcome – effective preparation. The Maritime Conference in 2006 also passed a Convention with almost no objections or abstainers – again the reason being enough time and preparation was given to analyze thoroughly prospective problems.

Employers have said repeatedly in the past that a “*Less is More*” approach to Conference debates is politically and technically more desirable. Conventions and Recommendations –and indeed Resolutions – of the Conference have a lot more impact if they are agreed by consensus, and this has the best chance of being achieved when enough time and preparations are provided.

The ILC is still too long; has too many committees; and its profile is still not what it should be. That said, small but significant steps to improving it were taken this year.

<p>At the end of June, a project on Occupational Safety and Health (OSH), managed by the ILO and the WHO in collaboration with the IOE and the ETUC, was officially launched in Budapest at a tripartite meeting. The purpose of the project is to improve safety and health practice in the workplace in South East Europe, principally through the development of a culture of prevention, implementation of effective and sustainable OSH legislation (ILO and EU standards) and social dialogue.</p> <p>An initial research phase is now complete. The next steps of the project, which will include a specific component for employers' organizations to be managed by the IOE, will now get under way. IOE Contact: Eric Oechslein.</p>	<p>Occupational Safety and Health (OSH) in South East Europe</p>
<p>The ILO Turin Training Centre's Employers' Programme, with the strong direct support of the IOE, has been very significantly developed in the last eighteen months. The Employers' Programme now has training courses on a wide variety of issues, ranging from International Framework Agreements to Occupational Safety and Health and is using increasingly effective training methodologies and products.</p> <p>The "Effective Employers" training course, which is targeted at employers' organizations in the early development stage (or additionally the development of regional branches), has filled an important lacuna – helping organizations with "the basics". The course covers all issues from establishing basic governance structures through to examining communication modalities. It brings in employer expertise from all corners of the world. This course has been successfully rolled out in Africa and Asia – most recently, in Indonesia - with further training targeted at employers in the Pacific Islands scheduled for late August. The Dutch Employers' Cooperation Programme (DECP) has been a crucial partner in the development and implementation of this course.</p> <p>Training workshops on SME development strategies for employers' organizations based around the joint ILO-IOE SME Toolkit have now been held in all regions. The workshops, which are designed to provide a space for organizations to develop and test strategies for SME development in a peer based environment, have proven successful to date. It is clear that SME development remains a high priority throughout the global employer community.</p> <p>The importance of communication, advocacy and lobbying has perhaps emerged as the most important and pressing need from these latter training workshops. A training course on communication strategies for employers' organizations has consequently been developed to enable organizations to develop lobbying and communications strategies. This course has been initially rolled out in the Balkan region, with a workshop held in Croatia in early July.</p> <p>In all these training activities the IOE secretariat has played a direct role. IOE Contact: Frederick Muia.</p>	<p>Turin Training Centre : The Employer Programme</p>

<p>As a follow-up to the Asian Regional meeting held in Busan (Korea) last year, a Forum will be held in Beijing in mid-August. This meeting, with participants from twenty countries mainly from south east Asia, will look to explore ways to follow-up on the commitment made in Busan to a Decent Work Decade. The Forum will, through roundtables and workshops, explore growth, employment and decent work scenarios up to 2015; look to identify key issues to be addressed by member States in the region with regard to the Millennium Development Goals; exchange good practices; and work towards the establishment of an Asian decent work knowledge network.</p> <p>IOE Contact: Brent Wilton.</p>	<p>Asian Employment Forum</p>
<p>The IOE has developed a Guide for members on how to engage with <i>Decent Work Country Programmes</i> (DWCPs), which are now the ILO’s main framework for engagement at country level.</p> <p>The Guide is written in the context of major current efforts to reform the workings of the UN system and its delivery of technical assistance at the national level. These changes and reforms have been driven by a Report (“Delivering as One”) and set of Recommendations from a High Level Panel (November 2006). The Recommendations are part of an attempt to radically change the way the UN operates at country level and to make it a singular delivery arm – “One UN”.</p> <p>Eight “One UN” Country Pilots (Albania, Cape Verde, Mozambique, Pakistan, Rwanda, Tanzania, Uruguay and Vietnam) have been put in place (as of January 2007) with the intention that 20 will be in place by 2009, 40 by 2010 and all other appropriate programmes by 2012. In reality this timetable is probably not realistic.</p> <p>The “One UN” process presents both opportunities and threats for employers’ organizations, as well as for the ILO. Thus far there have been some worrying noises from employers in the pilot countries and, in particular, concerns at being frozen out of the process (in cases, as has the ILO). Members are advised to keep the Secretariat informed of developments in their countries in this respect. The Guide is available on the IOE website: www.ioe-emp.org</p>	<p>Decent Work Country Programmes (DWCPs)</p>
<p style="text-align: center;">UN AND OTHER INTERNATIONAL ORGANIZATIONS</p>	
<p>The Global Compact Business Leaders Summit met in Geneva in early July. One thousand chief executives from businesses throughout the world, high level government officials and heads of civil society underlined the collective importance of this initiative Kofi Annan launched in 1999. Under the leadership of new UN Secretary-General, Ban Ki-Moon, a range of initiatives were presented and adopted: The “Caring for Climate” platform, the “Principles for Responsible Management Education”, the “CEO Water Mandate”, the “Principles for Responsible Investment” and “The Geneva Declaration” (texts are available from : www.globalcompact.org).</p>	<p>The Global Compact Business Leaders Summit</p>

<p>The presence of CEOs from major multinationals like Coca Cola, Petrobras, Areva, Fiji Xerox, Tata Steel, BBVA, etc., in the largest event the UN has ever covered on corporate citizenship gave visibility to the Summit.</p> <p>IOE President, Abe Katz, addressed the Plenary with the challenge to better involve SMEs in the Global Compact. But, to have them on board, he said, we need first “to develop flexible and non-burdensome reporting procedures for SMEs”. Moreover, he stressed, “it is indispensable to fully involve, in the local networks, the local national business organizations if we want to attract the SMEs”.</p> <p>There were six technical sessions: Human Rights, Labour, Climate Change and Environmental Responsibility, UN-Business Partnerships, Unlocking the Corruption Dilemma and Responsible Investment.</p> <p>The labour debate at the Summit was concentrated in a discussion on the challenges facing companies in implementing the Global Compact labour principles in the supply chain. The session, chaired by ILO Director-General Juan Somavia, started with a presentation by Novartis. However, the debate, with the presence of leading trade unionists, was mainly concentrated on international framework agreements. The closing was wrapped up by Guy Ryder, ITUC General Secretary and IOE Secretary General, Antonio Peñalosa, who underlined what companies would reasonably be expected to do to manage the relations with their supply chain. IOE Contact: Brent Wilton.</p>	
<p>The XIV Inter-American Conference of Ministers of Labour (IACML) of the Organization of American States (OAS) will take place in September in Trinidad and Tobago where a Declaration “<i>Making Decent Work Central to Social and Economic Development</i>” and a Plan of Action are expected to be unveiled.</p> <p>In preparation for the summit the <i>Business Technical Advisory Committee on Labor Matters</i> (CEATAL) has been involved in a number of preparatory events.</p> <p>A first preparatory meeting, held in Costa Rica in May, reviewed the progress of two Working Groups, one dealing with Decent Work as an instrument for development and democracy and a second on strengthening labour ministries, both of which had been set up in September 2005. Initial discussions also got under way on the draft Declaration and Plan of Action.</p> <p>The second preparatory meeting took place in mid July in Port of Spain, Trinidad and Tobago. This meeting advanced further work on the draft Declaration and Plan of Action and additionally considered the final reports of the Working Groups (referred to above). It was also agreed to establish a workshop on the labour dimension of free trade agreements and regional integration in order to exchange information and experiences, particularly with a focus on the normative aspect. IOE Contact: María Paz Anzorreguy.</p>	<p>The Fifteenth Inter-American Conference of Ministers of Labor (IACML)</p>

<p>The IOE and the Pan African Employers' Confederation will participate in a workshop on building partnerships on workers' health in Africa to be held in Brazzaville (Republic of Congo) at the end of August, organized by the World Health Organization. Representatives of several African countries (Benin, Botswana, Gambia, Kenya, Namibia, South Africa and Swaziland), the ILO, the African Union and the WHO Collaborating Centers for occupational health from Benin, Finland, South Africa and the United States are expected. Representatives of the international trade unions have also been invited.</p> <p>The workshop is part of a series of activities organized by the WHO to implement its Global Plan of Action on Workers' Health which was recently endorsed by the World Health Assembly. The IOE played an active role during the consultation process, leading to the development of the plan. The workshop also aims at establishing better linkages between occupational health and safety and the agenda on economic development and poverty reduction, HIV/AIDS, malaria and TB and strengthening health systems.</p> <p>The IOE has been invited to this event in the spirit of renewed partnership with the WHO, which led to the first ever WHO/IOE Round Table on Business and Public Health in 2006. A number of companies have also been invited and it will be an occasion to explore practical steps on how employers can partner with the WHO in Africa in order to enhance workers' health. The global plan of action is available at: http://www.who.int/gb/ebwha/pdf_files/WHA60/A60_R26-en.pdf</p>	<p>WHO workshop on building partnerships on workers' health in Africa</p>
<p>OTHER NEWS</p>	
<p>The second EU-Africa Summit of Heads of State and Government will take place in Lisbon at the end of the year (8-9 December). The Summit has not taken place for five years, due to disagreements on how to deal with the problems in Zimbabwe.</p> <p>The agenda will include security in the energy sector; climate change; management of migration; structured and permanent EU and African Union dialogue; and Economic Partnership Agreements (EPAs) between the two regions. EPAs are of particular importance for African employers. A consultation process involving employers' organizations is already in place as part of the preparations for the Summit and a number of EU-Africa business events have already taken place. IOE Contact: Frederick Muia.</p>	<p>EU-Africa Summit</p>
<p>In late June, China adopted a new employment contract law which will come into effect on 1 January 2008. Overall, the new law expands protection of individual employees as well as introduces collective rights through unions, employee representative agreements and collective contracts. Companies operating in China will need to review their existing legal arrangements to ensure that they will be in compliance with the new law in advance of 2008. IOE Contact: Brent Wilton.</p>	<p>New Chinese employment laws</p>

MAJOR FORTHCOMING MEETINGS

13 - 15 August	→	Asian Employment Forum: Growth, Employment and Decent Work (Beijing)
27 - 30 August	→	Sub Regional Training workshop “ <i>The Effective Employers’ Organizations in the Pacific</i> ” (Sydney)
23 - 24 August	→	Sub-regional Think Tank on Corporate Social Responsibility for Employers’ Organizations in Western Africa (Bamako)
12 - 15 September	→	IOE European Members Meeting (London)
24 - 28 September	→	Tripartite Meeting on the Impact of Global Food Chains on Employment (Geneva)
27 - 28 September	→	Employers’ Interregional Conference on Child Labour (Istanbul)
15 - 19 October	→	Meeting of Experts to Examine Instruments, Knowledge, Advocacy, Technical Cooperation and International Collaboration as Tools with a view to Developing a Policy Framework for Hazardous Substances (Geneva)
17 - 19 October	→	Symposium on labour and social aspects of global production systems: Issues for Employers (Geneva)
1 - 2 November	→	Globalization Forum (Lisbon)
2 - 17 November	→	297th session of the ILO Governing Body 2006 (Geneva)
6 - 7 November	→	XVIII Meeting of Presidents of Iberoamerican Employers’ Organizations (Santiago)
9 - 10 November	→	IOE Management Board
15 - 16 November	→	MULTI Forum 2007: 30th Anniversary of the Declaration on Principles concerning Multinational Enterprises and Social Policy (Geneva)