

# IOE.net

QUARTERLY NEWSLETTER OF THE INTERNATIONAL ORGANISATION OF EMPLOYERS

REPRESENTING 147 NATIONAL EMPLOYER FEDERATIONS IN 140 COUNTRIES ACROSS THE WORLD

JANUARY 2009



INTERNATIONAL  
ORGANISATION OF EMPLOYERS

## Index

OSH: GOSH.net .....	2
Guidance for Employers.....	2
Paraguay: new IOE member.....	2
AREC Meeting.....	3
African employers & HIV/AIDS. ....	3
ILO DG: a new mandate.....	4
ILC .....	4
ILO European Meeting.....	5
The Global Green New Deal.....	6
Working with WHO .....	6
Guidance Standard on SR (ISO)...	6
Human Rights.....	7
Child Labour.....	7
Global Compact.....	7
Global Compact Labour WG8.....	8
Forthcoming meetings .....	9

## Distribution

President .....	<input type="checkbox"/>
Chief Executive .....	<input type="checkbox"/>
Directors .....	<input type="checkbox"/>
Board members .....	<input type="checkbox"/>
Internal distribution .....	<input type="checkbox"/>
Library .....	<input type="checkbox"/>

## Editorial

As we start this new year, the fragile state of the global economy continues to dominate the headlines. The significant fallout from the 2008 financial crisis spreading to the real economy continues to gather momentum. Companies are feeling the pressure, many facing difficult decisions in 2009, with certain sectors: construction, natural resources, retail, tourism and finance finding themselves in particularly challenging circumstances.



*Prof Wiseman NKUHLU  
IOE President*

We live in an interconnected global economy. The big fluctuations that we have seen in some commodity prices over the last year, along with the repercussions of the financial crisis, have clearly demonstrated that this interconnection means that, across the globe, our economic fortunes are mutually dependent.

In this climate of uncertainty, and indeed anger at the failures we have witnessed, there have been emotional calls for new policy and regulatory responses and even new economic models, some of which are reminiscent of the failed policies of the past and the ideological polemics that went with them.

Thankfully these calls are being resisted by policymakers and the speed and vigour of government responses to the crisis to date have been encouraging.

Nevertheless, the business community does recognise that mistakes have been made. We in the IOE concur and advocate for some reform. However, we strongly guard against populist short term measures and rushed regulatory responses which would be unlikely to lead to strong sustainable economic growth. Specifically, we need to be mindful of policy responses that could impact negatively on employment and the SME sector, which is universally recognised to be the engine of growth and employment. Measures to stimulate SME growth and in particular facilitate access to credit are vital if we are to extricate ourselves from the current predicament.

The last thirty years of economic integration and open trade and investment policies have brought innumerable gains. Giant leaps in poverty reduction have been made, more and better products and services are available and to more of us, in step with economic progress, democracy and the principles that underpin it have been considerably advanced. Policy makers must resist the temptation to roll back these gains.

In 2009, the IOE will intensify its work in promoting the policies that have enabled these achievements in all relevant UN and other international fora. We will continue to influence the policy process at the highest levels.

We will also promote the principles of responsible free enterprise at the various meetings with the heads of international organizations throughout the year, particularly with the World Bank and the ILO. Additionally, we will engage bi-

laterally with the international trade union movement to understand their concerns, perspectives and suggested policy responses.

This Organisation is ready to meet the challenges of the largest economic crisis in recent memory. To this end, we have to stand up together with a clear and audible voice to promote the ideals of economic freedom on which our organisations were founded and continue to engage constructively with policymakers, and all other stakeholders, in finding solutions that promote economic development

Finally, may I take this opportunity to offer you and all colleagues in your organisations, along with your member companies, my very best wishes in successfully meeting the challenges of this coming year.

*Prof Wiseman NKUHLU*  
*IOE President*

## IOE and Member Activities

### Occupational Safety and Health

#### The Global Occupational Safety and Health Network (GOSH.net): a unique arena

Building on the successful format of the Global Industrial Relations Network (GIRN), a new Global Occupational Safety and Health Network (GOSH net) is being established. The GOSH will consist of multinational enterprises and member federations and will provide a unique arena for discussing and debating current and emerging global occupational health and safety issues on a confidential basis.

The new group, which will be encouraged to define its own agenda and priorities, will be guided by the IOE's expertise and long experience in promoting the occupational safety and health interests of business with the ILO, WHO and other organizations at the international level. GOSH.net will have its inaugural meeting in April 2009 in Geneva.



## Guidance for Employer Organizations

#### Work is underway to develop specific guidance and resource tools

While the IOE has traditionally been able to call on both wide and specialist resources to advise on occupational safety and health risks and how they should be managed, there is a need to make this information more accessible and relevant. In this respect, work is underway to develop specific guidance and resource tools to assist member organizations in their discussions and negotiations on workplace

health and safety issues with their partners at national level. Additionally, support and guidance to member organizations in their efforts to provide assistance to their own enterprise members will be developed. In these endeavours, the GOSH network will be a significant source of expertise and inspiration.

IOE contact: [asherson@ioe-emp.org](mailto:asherson@ioe-emp.org)

## Paraguay employers join the IOE

The Federation of Paraguay Production, Industry and Commerce (FEPRINCO), the apex business body in Paraguay, has rejoined the IOE effective January 1, 2009. Absent from the organisation for seven years, this renewed membership makes the Latin American business community fully represented in the IOE.

FEPRINCO covers all sectors of economic activity and historically has been recognized in Paraguay as the national representative body for employers. With this new affiliate, IOE membership increases to 147 in 140 countries.

## AREC Presidents' and Board meeting

### AREC: a very important resource for business community in the Balkan region

The **Adriatic Region Employers' Centre (AREC)**, set up at the beginning of 2007 to promote an attractive investment environment and to facilitate the exchange of cooperation and knowledge amongst partners in the Balkan region, has established itself as a very important resource for the business community.

At its first annual board meeting in mid-December, with the active support of the IOE as an honorary member, AREC's programme and budget for 2009 was launched. This will entail a range of high profile events with a variety of partners, such as the World Bank, the ILO, the European Commission and the Dutch Employers Cooperation Programme. In particular, a major event on the business environment and corruption with the



International Finance Corporation (IFC) is planned for the early part of 2009.

On the initiative of the President of the Croatian Employers' Association, Damir Kustrak, and with a view to maintaining the centre's visibility and profile, Presidents of national employers' organizations from Bosnia and Herzegovina, Macedonia, Montenegro and Serbia held two coordination sessions during the recent board meeting. Given the importance of this dialogue for the stability and development of the region, it was agreed that frequent meet-

ings of regional Presidents should now take place, with the next planned for early March in Sarajevo.

IOE contact: [oechslin@ioe-emp.org](mailto:oechslin@ioe-emp.org)

## African employers present innovative responses to HIV/AIDS at ICASA

The 15th International Conference on AIDS and Sexually Transmitted Infections in Africa (ICASA) was held in Dakar, Senegal in early December 2008. This high-profile event provided an opportunity for African IOE members to present good practice examples of employers' organizations and company initiatives to mitigate the impact of the pandemic on businesses and surrounding communities.

In line with this year's theme of the conference "Africa's Response: Face the facts", the IOE and the Pan African Employers' Confederation jointly organized a satellite meeting which brought together panelists from the Federation of Kenya Employers, National Council of Employers of Senegal, Shell Africa and the Standard Bank of South Africa. Other speakers included the Minister of Health of Senegal, The Director of the ILO/AIDS Programme and the AIDS Ambassador of the Government of France. Partici-

pants agreed on the need to build synergies between the different private sector responses and those initiated by governments in order to expand prevention, care, support and treatment.

Additionally, the IOE chaired a session focusing on comprehensive private sector responses to HIV/AIDS at national level. This session addressed the relations between business coalitions on HIV/AIDS and employer federations. Speakers were drawn from the ILO, the World Bank, the German agency GTZ, who work to promote sustainable enterprise, UNAIDS, employer federations and business coalitions. It was agreed that private sector actors at national level need to coordinate their efforts in order to avoid duplication and overlapping.

More information on this event can be found on the IOE website at: <http://www.ioe-emp.org/en/policy-areas/hiv aids/index.html>



# International Labour Organization

## A new mandate

### Reappointment of the ILO Director-General and formidable challenges before the ILO

The November Governing Body saw the reappointment of the ILO Director-General, Juan Somavia, for a third five-year term.

The challenges before the Organization and its Director-General are formidable, none more so than responding effectively to the current financial crisis which threatens global recession and is having painful implications for the broader economy.

The occasion of the Director-General's reappointment was used by the Group to refocus attention on the 2008 Employers' Vision of the ILO. This 'Vision' outlines a progressive roadmap for the Organization, one that takes account of the changing nature of the global economy, of new realities within our economic systems and the need for collaborative approaches to replace confrontational ones. It is, in short, a blueprint to transform the Organization, which was founded under different global conditions, into one that is reflective of the challenges facing the 21st century workplace.

Achieving these objectives will entail considerable changes within the ILO in terms of strategic

focus, technical delivery, and approaches to human capital. All of which will require a strong leadership, equipped to make difficult choices.

Given the seriousness of the current global economic situation and the need for a strong multilateral response, these are challenges that need to be addressed immediately and reflected in the Organizations' forthcoming Strategic Policy Framework.

Allied to this, are the ongoing efforts to reform the multilateral system to enable it to become more cohesive and effective. UNDP is taking the leading role in these efforts.

If the ILO is to be a relevant and significant entity within a newly invigorated multilateral system, it needs to present itself as a strong and credible actor by demonstrably showing both its comparative advantage, that is its unique tripartite structure connecting it to the real economy, and the strong support of its constituents. The forthcoming Strategic Policy Framework will demonstrate the potentiality of the Organization in these endeavours.

## International Labour Conference

### ILC agendas are improving. This year three technical topics will be discussed during the ILC

International Labour Conference (ILC) agendas are unquestionably improving. The rigid focus on standard setting items, regardless of relevance or demand, has abated and themes of importance to the business community are more frequently being addressed. Employers have consistently expressed the view that prudence, relevance and consensus are vital in choosing to go down a standard setting route. Recent evidence suggests that this message now has some resonance.



Preparations are currently underway for the 2009 Conference which will discuss three technical topics, all of major importance for employers.

- **Employment and social protection in the new demographic context (General Discussion):** With rising populations in most parts of the globe impacting negatively on ‘demographic dependency ratios’ (i.e. those in the labour market supporting those who are not) this is a timely debate and of relevance to economies everywhere. Employers will look to see that employment issues are central to this debate and its outcomes, in particular issues around older workers such as pension mobility, skills, discrimination legislation and how social protection systems can respond sustainably in an era of rapidly changing demographics. IOE contact: [rynhart@ioe-emp.org](mailto:rynhart@ioe-emp.org)
- **Gender equality at the heart of decent work (General Discussion):** This debate provides an opportunity to promote the importance of inclusive la-

bour markets. Employers will try to steer this debate towards an examination of the barriers or disincentives to labour market entry for women and the development of strategies to maximise opportunities for their participation in the labour market. IOE contact: [leon@ioe-emp.org](mailto:leon@ioe-emp.org)

- **Strengthening national responses to HIV/AIDS in the world of work (Recommendation First Discussion):** HIV/AIDS and its impact on the workplace has long been a priority area for the IOE and its members. In these endeavours the IOE continues to work closely with a range of stakeholders such as the International Trade Union Confederation. Employers in this debate will be aiming to formulate practical strategies that can be applied nationally by constituents. IOE contact: [muia@ioe-emp.org](mailto:muia@ioe-emp.org)

## ILO European Meeting

The 8th ILO European Regional Meeting will take place in Lisbon (9 -13 February). It will bring together high-level delegates from 51 countries and will be an exceptional opportunity to reflect together on how to move forward within the present crisis. In light of current activities in the areas of social dialogue, wages policy, social protection, work and family, social security and flexicurity etc. the Organization is expected to provide leadership and stimulating answers to the member countries, mainly in central and eastern Europe in facing the economic and financial upheaval.

The ILO has already sent an invitation to attend this event to national governments. Please contact your government, if it has not yet contacted you, regarding participation. The IOE will prepare a detailed note at the beginning of January to assist members. IOE contact: [oechslin@ioe-emp.org](mailto:oechslin@ioe-emp.org)



# UN and other International Organizations

## The Global Green New Deal

### A new initiative launched by UNEP at international level.

Following on from the IOE involvement in the joint ILO/UNEP initiative on Green Jobs, and looking towards the challenging global situation on finance, food and fuel, a new initiative launched by UNEP at international level – the Green Economy Initiative - is to be developed and promoted during 2009. This initiative will lead to strategic projects

and activities to help deliver economic, social and environmental benefits for markets. The IOE has been involved in the initial stakeholder discussions held in Geneva in December and will continue its close engagement with this initiative in 2009.

IOE contact: [asherson@ioe-emp.org](mailto:asherson@ioe-emp.org)

## Working with the World Health Organization (WHO)

### WHO and IOE partnership to implement the Global Plan of Action on Workers' Health.

The WHO has a long history of playing a leading role in anticipating and monitoring global health problems and coordinating the approach to tackling them. Recognizing that work and health are intimately linked, the WHO has sought to develop a partnership with the IOE to implement the Global Plan of Action on Workers' Health (2008-2017) which was endorsed by the World Health Assembly in 2007 in Geneva.



In this respect, the new Global Occupational Safety and Health Network (GOSH.net) will be an important vehicle in providing the support and expertise to advise on how occupational health services can be established at national and/or company level, appropriate to the needs and responsibilities of workers and employers worldwide. IOE contact: [asherson@ioe-emp.org](mailto:asherson@ioe-emp.org)

## Guidance Standard on Social Responsibility (ISO)

### Need for IOE members to engage with local ISO Committees.

As part of the process which will most likely lead to the adoption of a Guidance Standard on Social Responsibility in 2010, the International Standardization Organization (ISO) has sent out to each of its national ISO committees a draft for their comment.

Called a committee draft, this text is open to national members' comments over the next two and a half months. We again remind IOE members of the need to engage with these local ISO committees in order to ensure that they have an opportunity to participate in this consultative process.

## Human Rights

Early in 2009, Professor John Ruggie, the UN Secretary-General's Special Representative on business and human rights, will begin operationalizing the framework that he identified in his last Report. This framework is based on three principles: first, the State's duty to protect; second, the corporate responsibility to respect; and third, the need to access effective grievance mechanisms.

As this next stage of the process gets underway, it is probable that consultations at regional and

country level will follow. We will advise members on any requests to facilitate engagement, but we would also welcome any information you may receive on activities related to this mandate occurring at national level at the instigation of Professor Ruggie, by governments, trade unions or NGOs.

IOE contact [wilton@ioe-emp.org](mailto:wilton@ioe-emp.org)



*Prof. John Ruggie*

## Engaging Business: Addressing Child Labour

**A one-day meeting will be hosted by the Coca-Cola Company in February 2009**

The IOE and its member federations have long been at the forefront of efforts to combat child labour. For enterprises today, operating across global supply chains, the difficulties of ensuring that their operations are free of child labour can be very challenging. Moreover the consequences for enterprises of being associated with the use of child labour include reputational damage and shareholder disappointment and even divestment. Child labour is a complex issue, which can arise, or dissipate, in response to changes in any number of conditions, many of which are beyond companies' direct control.



In meeting this difficult challenge and helping answer these questions, a one-day meeting on 25 February will be hosted in Atlanta by The Coca-Cola Company, bringing together child labour experts, business leaders and other key actors who will share concrete experiences gleaned at local and global levels. The meeting is sponsored by the U.S. Council for International Business, the U.S. Chamber of Commerce, and the International Organisation of Employers, in cooperation with the International Labour Organization. It is expected the conference will provide impetus to a better coordinated and more effective response by business to the problem of child labour.

IOE contact [leon@ioe-emp.org](mailto:leon@ioe-emp.org)

# Global Compact

## Maintaining the Global Compact's dynamism in the context of economic and financial crisis

The Global Compact Board met on 15 December with UN Secretary-General Ban Ki-moon, to explore the current challenge of maintaining the Global Compact's dynamism in its major areas of activity in the context of today's economic and financial crisis: human rights, labour, caring for the climate, water mandate, business and peace, principles for responsible investment and food sustainability. The Board recognized that its activities were increasingly important and the current global crisis made the Global Compact more relevant than ever.

Among major decisions taken was the identification of the elements required for effective communication in progress policy as the foundation for the Compact's Integrity Measures. The facilitation

of dialogue in local networks in cases of abuse was openly discussed and the importance of these local networks in the sustainability of the Global Compact was also highlighted.

There are currently more than 80 established and emerging networks. Membership growth was steady in 2008 with an average of 100 companies joining per month. As of 30 November, the Global Compact had more than 6400 participants from 133 countries. Among the largest new signatories are: PepsiCo, Inc. (USA), Bertelsmann AG (Germany), Hyundai Motor Company (Republic of Korea), Lukoil (Russian Federation), Suez (France) and Sumitomo Life (Japan). Since June 2008, companies in Iran, Iraq, Montenegro, Slovakia and Togo have joined the programme.

# Global Compact Labour Working Group

## Global Compact agenda for the future

Chaired by Antonio Peñalosa, the Labour Working Group held its second meeting on 16 December. Co-chair, ITUC General Secretary Guy Ryder, had to cancel his participation. This very important session set the Global Compact labour agenda for the future. Twenty-five participants representing the Board, companies, unions, civil society, the IOE, the ILO and the Global Compact discussed the needs of, and interaction between, this Working Group and the local networks. It was decided that the next session be held on 8 June 2009 in Istanbul on the occasion of their Annual Forum.

The Working Group also discussed the importance of integrating the unions in its future activities and

working with agreed agendas was fully supported. The credibility of the Global Compact was greatly enhanced by the commitment of the unions to the initiative.

The occasion was seized to launch "The Labour Principles of the United Nations Global Compact - A Guide for Business". Elaborated by the ILO and co-signed by the IOE and the ITUC, this publication provides guidance to participating companies on how to interpret and understand labour principles. The guide can be downloaded from: <http://www.ilo.org/public/english/employment/multi/download/ungcguide.pdf>.

IOE contact: [penalosa@ioe-emp.org](mailto:penalosa@ioe-emp.org)



---

# Major forthcoming meetings

5 - 6 February	Microfinance for Decent Work	Geneva
9 - 13 February	8 <sup>th</sup> ILO European Regional Meeting	Lisbon
17 - 18 February	Global Dialogue Forum on Decent Work in Local Government Procurement for Infrastructure Provision	Geneva
24 - 25 February	Global Dialogue Forum on the Impact of the Financial Crisis on Financial Sector Workers	Geneva
25 February	Engaging Business: Addressing Child Labour	Atlanta
5 - 6 March	Tripartite technical workshops on the impact of the food price crisis on decent work	Geneva
5 - 27 March	304 <sup>th</sup> Session of the ILO Governing Body	Geneva
20 - 21 March	IOE Management Board	Geneva
7 - 8 April	GIRN Meeting	Atlanta
28 - 29 April	Employer Symposium on Demographic Change	Geneva
2 June	IOE General Council	Geneva
3 - 19 June	International Labour Conference	Geneva