INTERNATIONAL LABOUR OFFICE



Governing Body

GB.295/MNE/1/2 295th Session

Geneva, March 2006

Subcommittee on Multinational Enterprises



FOR DECISION

FIRST ITEM ON THE AGENDA

Promotion of the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy

(b) Options for evaluating the effect given to the Tripartite Declaration

- 1. At the November 2005 session of the Subcommittee, a number of members expressed disappointment at the low response rate to the Eighth Survey on the effect given to the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, as well as at the insufficient amount of details contained in the responses.¹ Furthermore, questions were raised concerning the effectiveness of the current survey process.² This paper, as requested by the Subcommittee, ³ presents options to address these concerns.
- 2. In outlining these options, it is recalled that the Governing Body in February-March 1978 decided to invite governments to report periodically on the effect given to the MNE Declaration after full consultation with national employers' and workers' organizations, ⁴ and in February-March 1979, established a procedure for consideration of such reports. ⁵ The International Labour Conference, in a resolution adopted at its 65th Session, subsequently endorsed the decision of the Governing Body. ⁶ It is also recalled that at its 284th (November 1990) Session, the Governing Body decided that, in addition to being forwarded to governments, a survey questionnaire should also be sent directly to employers' and workers' organizations.
 - ¹ GB.294/10.
 - ² ibid.
 - ³ GB.294/10, para. 57(a).
 - ⁴ GB.205/205, para. 17.
 - ⁵ GB.209/205.

⁶ "Resolution concerning follow-up to the World Employment Conference", International Labour Conference, 65th Session, *Record of Proceedings* (Geneva, International Labour Office, 1979).

- **3.** In light of the above, depending on the scope of the changes proposed to the current survey process, a decision of the Governing Body may involve further action within the framework of the International Labour Conference.
- **4.** One option would be to refine the current process of undertaking periodic global surveys. While covering all the areas of the MNE Declaration, the survey could focus on one specific thematic issue of the MNE Declaration on a cyclical basis. The questionnaire could be field-tested in one or two countries before being administered. Efforts could also be undertaken to increase the response rate, including mailing the questionnaire both by mail and electronically; sending reminders before and after the deadline of submission; and involving the ILO field structure. In particular, the ILO field structure could be involved in facilitating national tripartite meetings before the submission deadline with a view to instigating a joint tripartite reply. The Office could take advantage of its ongoing activities, such as the International Labour Conference, Governing Body, and tripartite, regional and sectoral meetings, to promote the survey.
- **5.** A second option would be to set up a web survey and database for constituents to submit responses at any time. Constituents could search the database for information with regard to experiences in other countries. The Office could regularly send constituents details of the survey and database and invite them to submit responses and examples. Prior registration before completing the survey would ensure that only those authorized complete the survey. At periodic intervals a report could be issued based on the information collected, and the Office could review the information contained in the database regularly with the aim of developing timely and targeted technical cooperation activities to help constituents give greater effect to the principles of the MNE Declaration. To increase the response rate, the Office could also take advantage of its ongoing activities to promote the survey. Two major drawbacks inherent in this option are that Internet access is not universal and there are high costs associated with establishing and maintaining a database.
- **6.** The advantage of the first and second options outlined above is that they allow the Office to reach a wide number of constituents. The disadvantage is that they do not completely resolve the issue concerning response rates.
- **7.** A third option would be to undertake an in-depth survey in a select number of countries, focusing on one area of the MNE Declaration. Under this option, the Office could first undertake personal interviews to collect detailed and comprehensive information. The findings of the interviews would then provide the constituents with the basis of preliminary discussion and identifying areas in which further information is needed. The Office could subsequently collect information in these areas. A tripartite meeting could then be convened to discuss all the findings to date; to identify national-level action plans to give effect to the MNE Declaration; and identify areas for technical cooperation. This option would not only enable the Office to collect the needed information, but could also reinforce the national social dialogue mechanism. Utilizing the experiences of several countries, the Working Group of the Subcommittee could issue a report on the effect given to the MNE Declaration. The budgetary implications of this option would depend on the number of countries to be covered in any one report. Initially, one country from each region, to be identified based on findings from past surveys, could be chosen so as to highlight any relevant regional issues.
- 8. A fourth option would be to organize regional or subregional tripartite meetings on a cyclical basis. Prior to the meeting, the Office would ask all the participants to prepare a short paper on the effect given to the MNE Declaration, on the labour and social impacts of MNEs in their respective countries, and on concrete proposals for follow up activities, according to a standardized format for presentation and discussion. The submitted papers

and discussion would then serve as the basis of the report on the effect given to the MNE Declaration. This option would enable constituents from the region to exchange information, experiences, good practices and unresolved challenges.

- **9.** The advantage of the third and fourth options is that they enable the Office to gather detailed and relevant information. However, they are resource and time intensive and are focused on a few countries at any one time.
- 10. The Subcommittee may wish to express its views on the different options outlined in this paper and to recommend to the Governing Body that the Office provide more detailed information on a preferred option.

Geneva, 10 January 2006.

Point for decision: Paragraph 10.